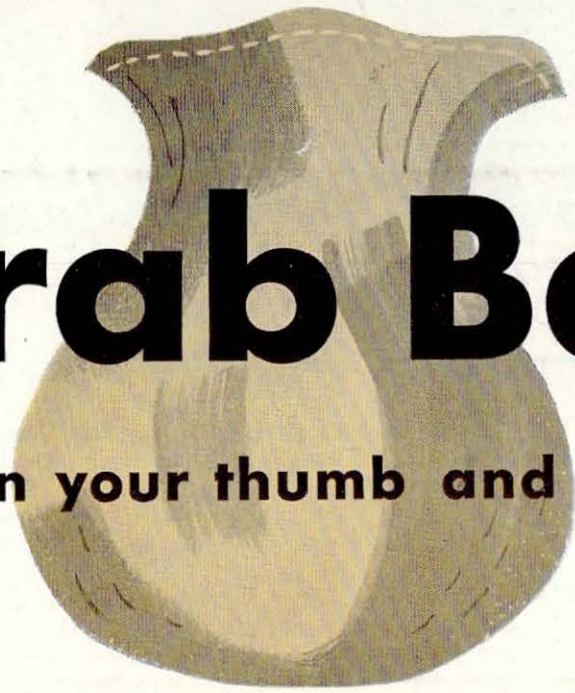
More Roads Are Using Intercity Dial Phones

January 23, 1961

RAILWAY AGE *weekly*

McCARTNEY LIBRARY
GENEVA COLLEGE



Grab Bag

Reach in your thumb and pull out:

- **Subsidized Motherhood**
- **Pay for Striking**
- **A Bonus to Quit**
- **Payment to Get Fired**

RD61 1116
McCARTNEY LIBRARY
GENEVA COLLEGE
BEAVER FALLS PA

60 cents A Simmons-Boardman TIME-SAVER Publication

Great Northern Standardizes on Aeroquip Fueling Unit

EFFICIENT REFUELING SYSTEM IS FULLY AUTOMATIC IN OPERATION

Now another leading railroad, Great Northern Railway, has standardized on the automatic Aeroquip Fueling Unit for diesel locomotives. In operation at strategic test fueling locations for more than four years, the Aeroquip Unit has proved it reduces fueling costs and speeds refueling operations for Great Northern.

Other major railroads that have already standardized on the Aeroquip Fueling Unit include the Pennsylvania and the Atlantic Coast Line.

Fully automatic, the Aeroquip Fueling Unit shuts itself off when the tank is full. This prevents costly overflow and fuel spillage and can reduce total fuel costs by 1% for most railroads. Multiple fueling operations can be conducted with no danger of premature shut-off on an individual tank. Hand topping is no longer necessary. The unit also eliminates possible oil pollution and contamination of community drainage systems and streams. It reduces fire hazards and eliminates the danger of slippery refueling platforms.

The Aeroquip Fueling Unit is a complete package that can be installed on any diesel locomotive in less than two hours. Write for complete information.

Standardize Your Refueling Operation with the Aeroquip Automatic Fueling Unit

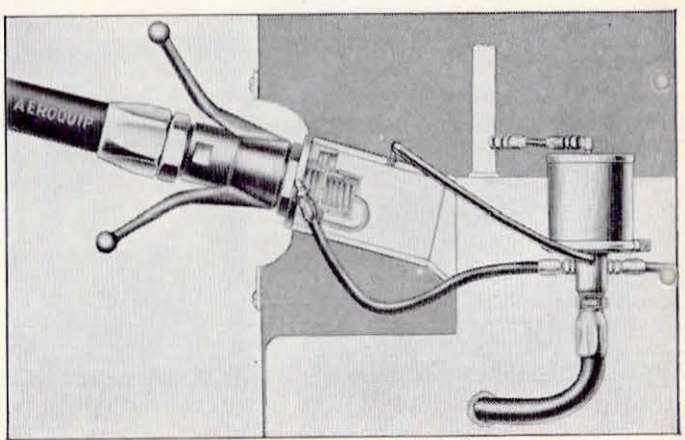
Aeroquip

REG. TRADEMARK

AEROQUIP CORPORATION, JACKSON, MICHIGAN

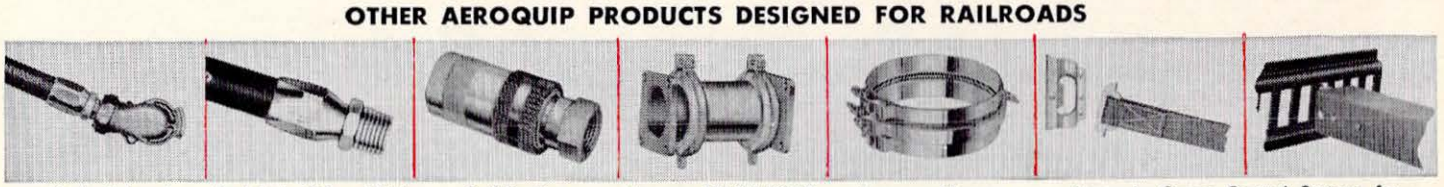
INDUSTRIAL DIVISION, VAN WERT, OHIO • WESTERN DIVISION, BURBANK, CALIFORNIA
AEROQUIP (CANADA) LTD., TORONTO 19, ONTARIO

AEROQUIP PRODUCTS ARE FULLY PROTECTED BY PATENTS IN U.S.A. AND ABROAD



FLEXMASTER is an Aeroquip Trademark

OTHER AEROQUIP PRODUCTS DESIGNED FOR RAILROADS



Air Brake and Signal Hose Lines | Fuel, Lube Oil and Hot Water Hose Lines | Self-Sealing Couplings | Marman FLEXMASTER Pipe Assemblies | Marman Clamps and Couplings | Aeroquip Cargo Control Systems for Case Goods and for General Cargo

GUARD AGAINST HIGH-SPEED COUPLING IMPACTS

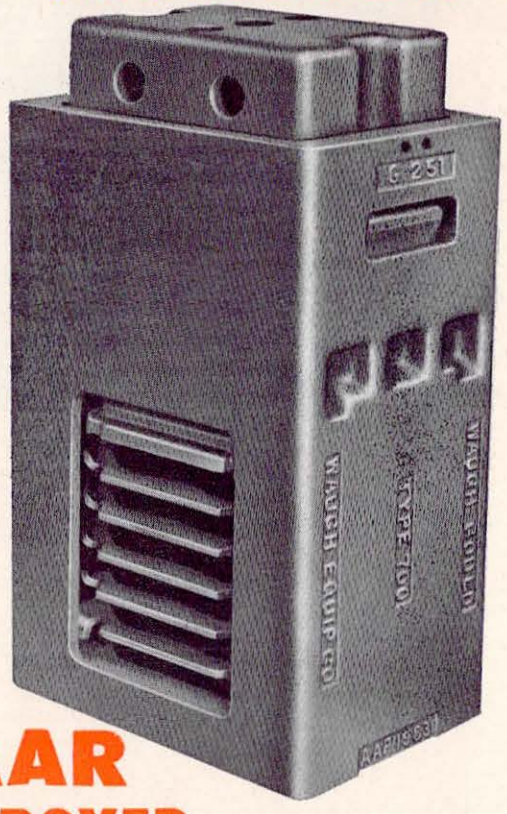
50% MORE PROTECTION

WITH

The WAUGH-GOULD

TYPE 700

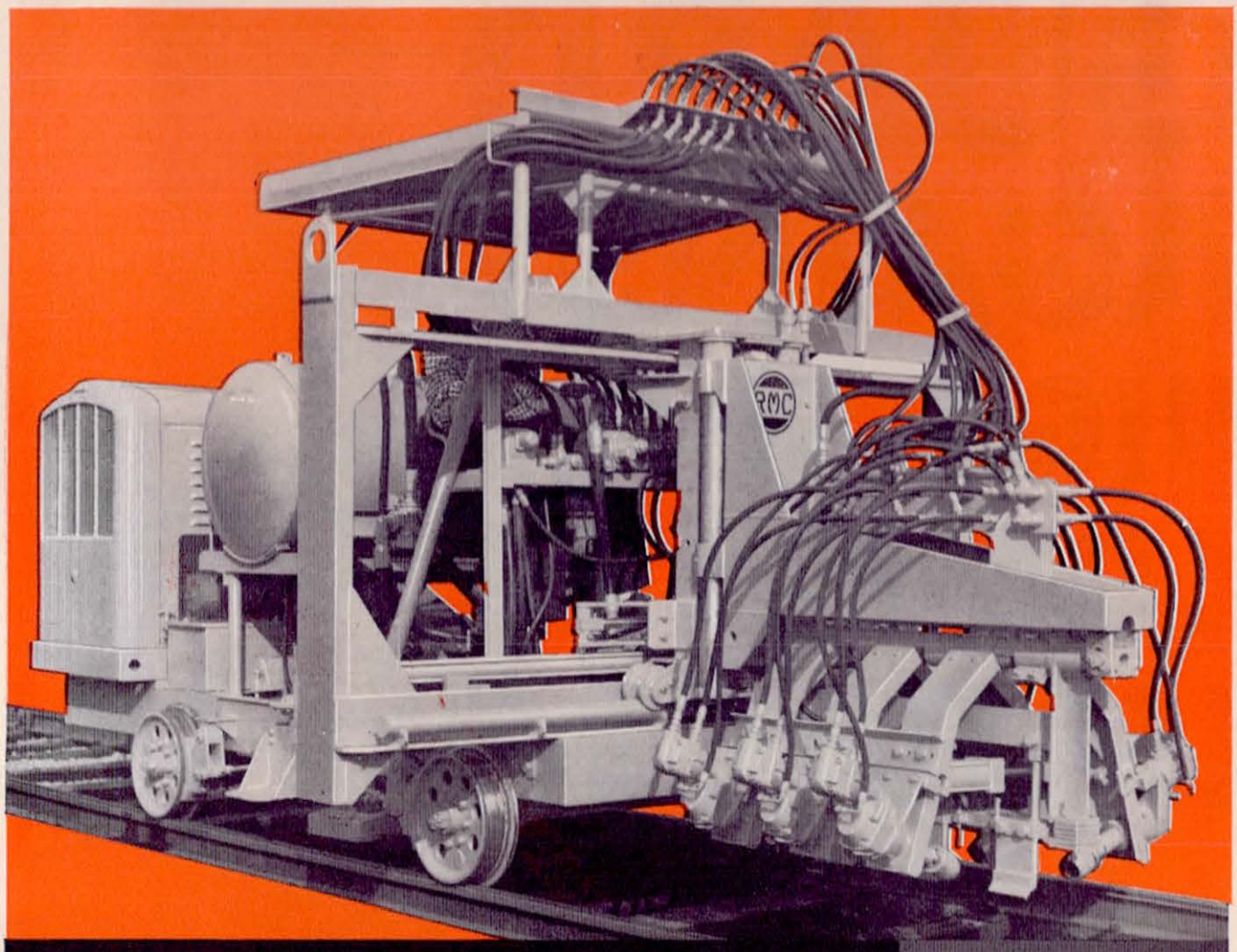
FRICTION-RUBBER DRAFT GEAR



AAR APPROVED

WAUGH EQUIPMENT COMPANY

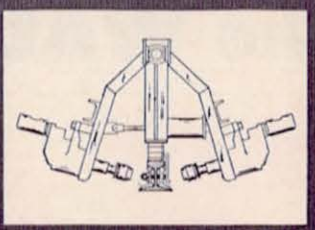
NEW YORK • CHICAGO • ST. LOUIS • Canadian Waugh Equipment Company: Montreal



New Concept!

Tightens or Removes Rail Joint Bolts

The head is positioned hydraulically after the machine is spotted. Wrenches are adjustable for all bolt centers.



RMC BOLTMASTER

Tightens two to three joints per minute with a single operator! BoltMaster simultaneously tightens six or four bolts by hydraulic wrenches, while allowing single wrench operation when desired (mainly for bolt removal). As the machine moves forward, the head is traversed from one rail to the other. *Ask for BoltMaster Bulletin.*

CLEARED TO PROGRESS
P
R I
MEMBER

Railway Maintenance Corporation

BOX 1888 • PITTSBURGH 30, PA.

RAILWAY AGE *weekly* January 23, 1961 • Vol. 150, No. 4

Week at a Glance

Departments

As the Publisher Sees It ... 34
Dividends Declared 29
Freight Carloadings 31
New Equipment 31
People in the News 32
Railroading After Hours ... 28
Supply Trade 33
Watching Washington 10
The Action Page 38
Railway Market 31
You Ought to Know 36

• Editorial and Executive Offices
New York 7, 30 Church St.

JAMES G. LYNE, Editor
ROBERT G. LEWIS, Publisher
JOE W. KIZZIA, Executive Editor
Managing Editor.....Fred C. Miles
News Editor.....Luther S. Miller
Traffic-Transportation...G. C. Hudson
Mechanical
C. L. Combes F. N. Houser, Jr.
Signaling & Communications
Robert W. McKnight Robert J. Barber
Associate Editors
Rod Craib Harry M. Grayson, Jr.
Librarian.....Edith C. Stone
Editorial Assistant.....June Meyer
Art Director.....Russell F. Rypsam
Design and Layout...Joel Petrower
Director of Research...J. W. Milliken
Production Manager..Joseph J. Menkes

• Chicago 3, 79 West Monroe St.
Western Editor.....Gus Welty
Regional News.....William V. Tuite
Mechanical.....Norman E. Gillespie
Engineering.....M. H. Dick
R. E. Dove E. W. Hodgkins, Jr.
Purchases & Stores.....Bert Enos
Editorial Assistant.....Wanda Brown

• Washington 4, National Press Bldg.
Washington Editor....Walter J. Taft

• The Hague, Netherlands
International Editor....D. W. Beadle

Railway Age, established in 1856, is indexed by the Business Periodicals Index the Engineering Index Service and the Public Affairs Information Service. Name registered in U.S. Patent Office and Trade Mark Office in Canada.

Published weekly by the Simmons-Boardman Publishing Corporation at 440 Boston Post Road, Orange, Conn. Second-class postage paid at the Post Office at Orange, Conn. James G. Lyne, chairman of the board; Arthur J. McGinnis, president and treasurer; Duane C. Salisbury, executive vice-president; George Dusenbury, vice-president and editorial and promotion director; Robert G. Lewis, Joe W. Kizzia, M. H. Dick, M. J. Figa, R. C. Van Ness, vice-presidents.

Ike urges transport department ..... p. 9

In his last budget message to Congress, the retiring President proposed the creation of a cabinet-level transportation post, also suggested that the White House appoint future ICC chairmen.

Rail program cuts D&H costs p.11

The road has launched a project that in about four years will see a high percentage of its track being laid with continuous welded rail.

Cover Story—RUIA: 'Grab Bag for the Idle' ..... p. 16

Glaring inequities in the Railroad Unemployment Insurance Act are costing railroads $55 million a year. Included in the "grab" are such items as benefit payments to strikers and to men who quit their job; maternity benefits that amount to "subsidized motherhood"; and liberal sickness benefits.

Cover Story—More roads use intercity dial phones p.25

Direct distance dial telephone systems are a potent weapon in the railroads' battle for traffic—passenger and freight.

New York subways get new cars p.26

Ten cars of 550 ordered from St. Louis Car Co. are in service on the city's BMT line. The cars, built to operate in pairs, have four sets of double doors on each side.

U.S. passenger agency is urged p.27

The possibility of consolidating the nation's passenger services under a single agency is in the spotlight today. Here's the approach suggested by Prof. Charles E. Stonier.

How Santa Fe jet-cleans cars p.30

Passenger cars are cleaned now in a fraction of the time it once took. It's done with high-velocity air cleaners, called Windjammers. The road uses three of them in Chicago.

'Bury intermodal differences' p.34

That was the advice given at the TAA's annual National Transportation Institute in Chicago last week. Panelists urged industry-wide action to combat the threat of private carriage.

The Action Page—Unions and 'security' p.38

What kind of security have railroad employees and their

Save Hundreds of Man-Hours!

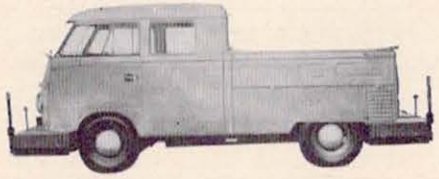
Electric Turntable Jack Converts

VOLKSWAGON TO RAIL TRUCK IN LESS THAN TWO MINUTES!

New Gandy Wagon converts to economical Volkswagon truck for highways . . . moves up to 9 men on road or track! Prevents costly crew tie-ups! Men keep moving by road when rail clearance is limited!

Proven by leading railroads . . . the most efficient way to move men and materials from highway to rails! The low cost rail-to-highway Gandy Wagon cuts "down time" . . . no waiting around for track to clear! You free men for **working** time. When track is closed, men can go by highway. Turntable jack on Gandy Wagon gets your crew back on the track at the nearest grade crossing within minutes!

The Gandy Wagon is versatile—you can use it as an inspection car (no hood—you see directly down onto track)—you can turn it around on the track and return to station in forward gear. Your ride is safer too . . . because Gandy Wagon's weight is on its front 14" flanged wheels, and you get 4-wheel hydraulic braking on track and highway, independently sprung flanged wheels, and wheel aligning adjustments to avoid crabbing. Carefully engineered for heavy-duty performance under all railroad operating conditions.



Choice of pick-ups, 6 seater trucks or 9-seater Kombie for crew and patrol service. Also luxurious inspector station wagons for Chief Engineers.

Write or call now for demonstration!

GANDY WAGON

Box 151, Oyster Bay, N.Y.
Phone: WAlnut 2-6671

Corporation

Week at a Glance CONT

Current Statistics

Operating revenues	
11 mos., 1960	$8,782,777,302
11 mos., 1959	8,979,398,045
Operating expenses	
11 mos., 1960	6,951,724,230
11 mos., 1959	7,050,235,908
Taxes	
11 mos. 1960	945,064,644
11 mos., 1959	958,748,814
Net railway operating income	
11 mos., 1960	549,744,777
11 mos., 1959	671,185,991
Net income estimated	
11 mos., 1960	393,000,000
11 mos., 1959	484,000,000
Carloadings revenue freight	
1 wk., 1961	439,193
1 wk., 1960	589,801
Freight cars on order	
Jan. 1, 1961	21,070
Jan. 1, 1960	43,870
Freight cars delivered	
12 mos., 1960	57,047
12 mos., 1959	37,819

Advertising Sales Department

Duane C. Salisbury—director of sales

New York 7, N. Y., 30 Church St.,
WOrth 4-3060
J. S. Vreeland—vice president;
F. T. Baker—district manager;
J. C. Lyddy—district manager

Chicago 3, Ill., 79 W. Monroe St.,
RAndolph 6-0794
J. R. Thompson—vice president;
J. W. Crossett—district manager;
Hale Carey

Cleveland 15, Ohio, 1501 Euclid Ave.,
MAin 1-4455
H. H. Melville—vice president;
H. M. Blunt—district manager

Pittsburgh 19, Pa., Suite 203, Carlton House
GRant 1-8186
C. J. Fisher—district manager

Atlanta 9, Ga., 22 Eighth St., N. E.,
TRinity 2-6720—J. S. Crane

Dallas 19, Tex., 3915 Lemmon Ave.,
LAkeside 1-2322—Joseph Sanders

Los Angeles 17, Cal., 1151 W. 6th St.,
HUntley 2-4000
Fred Kloner, Jr.
David S. Clark

San Francisco 11, Cal., 916 Kearney St.
GArfield 1-7004
Lewis A. Vogler

Portland 5, Ore., Terminal Sales Bldg.,
CApitol 7-4993
Peter W. Kloner

London S. W. 1, England
TRafalgar 6318
67/68 Jermyn St., St. James's
Max F. Holsinger

Dusseldorf, Germany
Huttenstrasse 17, am
Ernst-Reuter-Platz
Max F. Holsinger

Tokyo, Japan
1, Kotohira-Cho, Shiba, Minato-Ku
George E. Olcott

Railroad employees' subscription rate: in U. S possessions, Canada and Mexico, $4 one year, $6 two years, payable in advance and postage paid. To railroad employees elsewhere in the western hemisphere, $10 a year. In other countries, $15 a year. Single copies 60¢ except special issues. Address all subscriptions, changes of address, and correspondence concerning them to: Subscription Dept., Railway Age, Emmett St., Bristol, Conn.

Change of address should reach us three weeks in advance of next issue date. Send old address with new, enclosing, if possible, your address label. Post Office will not forward copies unless you provide extra postage.

Circulation Dept.: R. C. Van Ness, Director of Circulation, 30 Church St., New York 7, N. Y

POSTMASTER—SEND FORM 3579 to EMMETT ST., BRISTOL, CONN.

Printed at the Wilson H. Lee Co., Orange, Conn

unions won for themselves? Is it real, or only a glittering counterfeit? Now, more than ever, is the time to reappraise the meaning of "social security."

Short and Significant

A pre-hearing conference . . .

in the ATSF-SP-WP control dispute is scheduled for Feb. 7 in Washington before ICC Examiner Paul C. Albus. Competitive applications of Santa Fe and SP for authority to acquire control of WP were ordered consolidated for hearing and disposition by Commissioner Tuggle.

Meanwhile, strong pro-ATSF comment . . .

came from WP President F. B. Whitman, who told "shippers, communities and the general public" in an open letter that "the choice between control of the Western Pacific by the Santa Fe or a takeover by the Southern Pacific is a choice between competition and monopoly."

C&S Section, AAR, will meet in 1961 . . .

at the Royal York Hotel in Toronto, Ont., Oct. 2-4. AAR approved the meeting of the new combined Communication and Signal Section. Earlier plans were to cancel the 1961 meeting.

New name for the unified GN-NP-CB&Q-SP&S . . .

will be the Great Northern Pacific & Burlington Lines, Inc. Articles of incorporation have been filed in Delaware. The unification application will probably be filed with the ICC next month.

Special-design racks on flat cars . . .

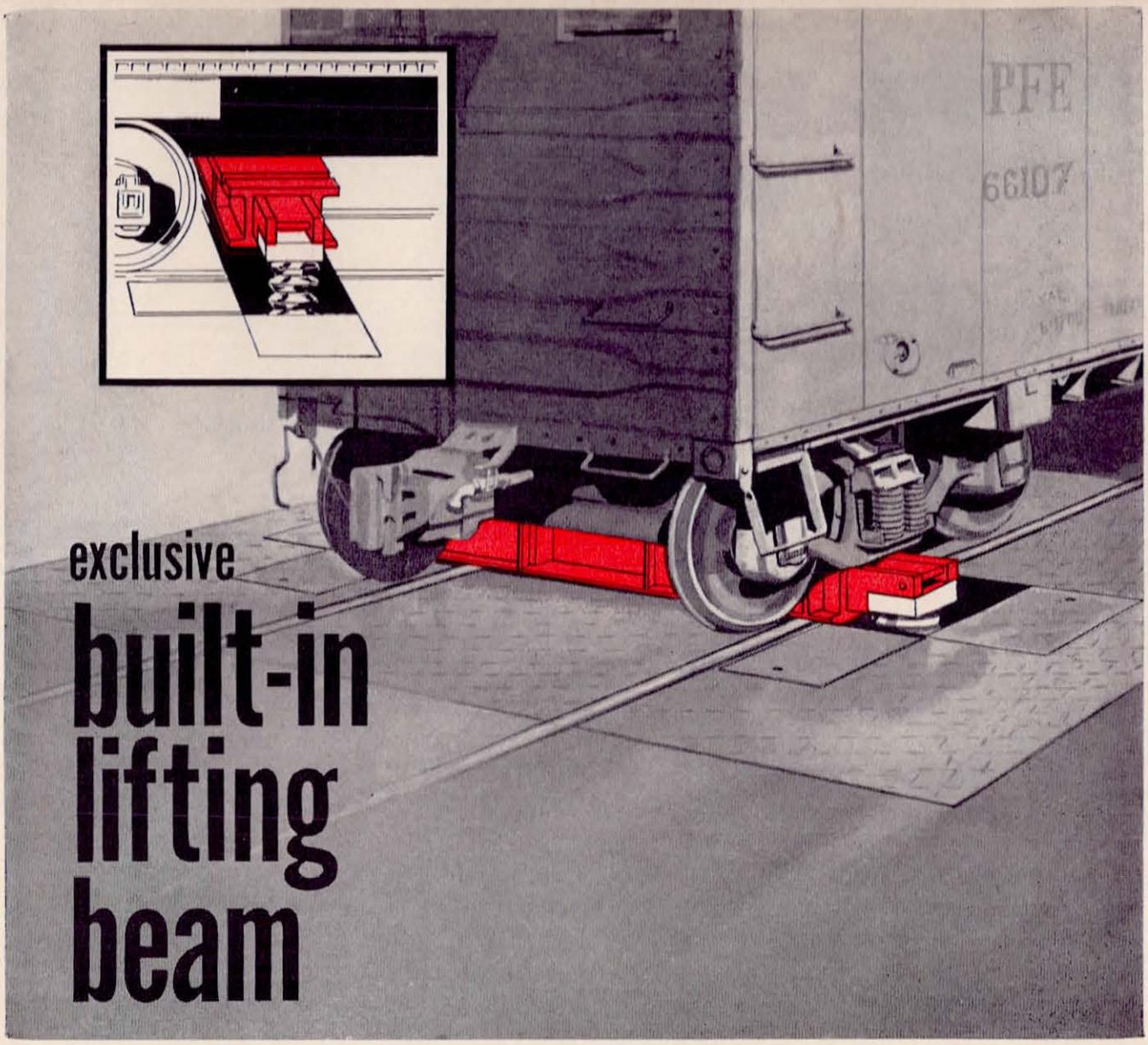
may be used for shipping commodities other than automobiles. General American thinks it's "possible that this idea will be broadened to include similar interchangeable racks for other commodities, such as lumber or stock."

B&O directors will cooperate . . .

with C&O in seeking prompt unification of the two roads. Both roads have agreed not to enter into "merger discussions or studies with any other railroad" pending regulatory approval of the two-way unification.

New York Central, meanwhile, has decided . . .

to accept an unspecified number of B&O common shares tendered during NYC's unsuccessful bid for control of B&O. During the NYC-C&O contest for control of B&O, the latter favored three-way merger studies.



exclusive built-in lifting beam

GIVES RIPTRACK OPERATIONS PRODUCTION-LINE SPEED AND SAVINGS!

Built-in lifting beam on the Whiting Ripjack gives *any* lift push-button efficiency. Fishbelly cars and other specials are no problem . . . no delay. Center-sill or coupler lifts are completed as quickly as standard pad or truck lifts . . . in just seconds!

With or without the lifting beam, Ripjack is completely motorized. It electrically adjusts to any width car. Powerful lifting mechanism easily handles fully-loaded cars. And when not in use, Ripjack completely disappears below floor level, leaving clear, usable floor space.

Labor costs drop . . . bad order cars get back into service in a hurry. Get more facts on *production line* riptrack economy with Whiting Ripjack.

FREE BULLETIN . . . Faster car lifting with Whiting Ripjack, faster car moving with Whiting Trackmobile, the road-and-rail car handler. Write for bulletin RJ-C-100. *Whiting Corporation, 15603 Lathrop Avenue, Harvey, Illinois. In Canada: Whiting Corp. (Canada) Ltd., 350 Alexander Street, Welland, Ontario, Canada.*

90 OF AMERICA'S "FIRST HUNDRED" CORPORATIONS ARE WHITING CUSTOMERS

RAILROAD EQUIPMENT

WHITING

MANUFACTURERS OF CRANES; TRAMBEAM® HANDLING SYSTEMS; PRESSUREGRIP; TRACKMOBILES;® FOUNDRY, RAILROAD, AND SWENSON CHEMICAL EQUIPMENT

Ike Urges Transport Department

► **The Story at a Glance: Establishment of a cabinet-level department of transportation and Presidential power to appoint the chairman of the ICC were surprise recommendations of President Eisenhower's final budget message which went to Congress last week. Like some of its predecessors, the Eisenhower message also has recommendations calling for increased postal rates and higher "user charges" in the form of increased taxes on aviation fuel and gasoline consumed by highway vehicles.**

The Department of Transportation contemplated by President Eisenhower's recommendation would be designed "to bring together at cabinet level the presently fragmented federal functions regarding transportation activities." The proposed Presidential power to appoint the chairman of the ICC would be designed "to strengthen the position of the chairman" by vesting in him the "executive and administrative duties" of the Commission.

The Eisenhower message and the accompanying budget, of course, are subject to modification by President Kennedy. He took over Jan. 20, four days after the Eisenhower budget went to Congress.

Mr. Eisenhower also recommended again (as he has in every budget message of recent years) that Congress continue present excise taxes which include the 10% levy on fares. Another repeater is a recommendation that government payments to the railroad retirement account for periods when railroaders were in military service be put on an actual-cost basis.

"Under statutes now in effect the federal government has paid the railroad retirement account an estimated $400 million more than the estimated cost of military service benefits," Mr. Eisenhower said. He followed through to recommend, as he has before, the enactment of legislation to recover these "over-payments." Such legislation is opposed by railroad management and unions representing railroad employees.

Mr. Eisenhower's call for a federal department of transportation was a brief statement which merely set out the proposal. Meanwhile, the message stressed the importance of transportation. It said:

"Few segments of our economic system are more essential to economic growth and national defense than an adequate and efficient transportation and communication network. The budget reflects important actions under way to modernize federal transportation and communication programs."

President Eisenhower then went on to note that Congress has before it the transportation report made last year by his secretary of commerce, Frederick H. Mueller. That so-called Mueller Report made 78 recommendations, some 20 of which would require legislation (RA, March 21, 1960, p. 31).

The department-of-transportation idea was not a Mueller-Report proposal, but it has been endorsed recently by the so-called Doyle Report and by Senator Smathers of Florida, chairman of the Senate's surface transportation subcommittee and principal Senate sponsor of the 1958 Transportation Act. The Doyle Report is that submitted recently to the Senate Interstate Commerce Committee by Gen. John P. Doyle, director of the study group created to consider problems left untouched by the 1958 act (RA, Jan. 9, p. 7).

President Eisenhower's call for Presidential power to appoint the ICC chairman and for legislation to "strengthen" that position was also brief. It went on to note only that the President now appoints chairmen of other regulatory bodies. And to add a suggestion that "the responsibility of the President to control and supervise the exercise of executive functions by

(*Continued on page 35*)

'Jell Our Jobs'—or Else

The long-simmering job-stabilization controversy came to an angry boil in New York last week. And nobody was angrier than 100,000 commuters who were left to shift for themselves.

Seldom, as one disgruntled commuter put it, had so few done so much to inconvenience so many. A comparative handful of strikers—664 members of three maritime unions—first closed down all ferryboat operations in the port (RA, Jan. 16, p. 7). They thus bagged 30,000 commuters. Then they extended their picket lines, by Thursday morning had forced both the New York Central and the New Haven to close down all Grand Central Terminal passenger traffic—an action which left another 70,000 commuters (and 14,000 long-distance passengers) high and dry. And as negotiators worked desperately toward a settlement, there were reports that the Pennsylvania would shut down after trainloads of inaugural visitors had been delivered to Washington.

At issue: demands of railroad tugboat and ferryboat employees in New York harbor for a "job freeze." An emergency board ruled against the unions; the strike followed.

Both sides appeared to realize that considerably more might be at stake than the size of tugboat crews. In ads placed in New York newspapers (and headed: "Jell Our Jobs"—the Unions say) the railroads noted that "this is the same basic economic issue [that] is to be threshed out in the railroad field" by the Presidential work rules commission. Giving in to union "job-freeze" demands, they declared, would be "suicide" for the railroads. They charged that the unions had "substituted a club for the bargaining table," added:

"We regret the suffering and inconvenience which the people of this area are experiencing but it is in the public interest, as well as in the interest of the railroads, to fight the union demands for 'make-work' every step of the way."

The New York press seemed to agree. Said the New York Times: "This strike must end, and end soon. But not in sacrifice of principle." "The present outrage is intolerable," echoed the New York Herald Tribune.

Merging Roads Reassure Employees

Future job opportunities for all present employees of the GN, NP, CB&Q and SP&S "are firmly assured by the plan of consolidation," presidents of the roads declared last week.

GN's John M. Budd, NP's Robert S. Macfarlane and Burlington's Harry C. Murphy said widespread inaccurate statements being made by "a few railroad union representatives" prompted the roads to make the employment policy statement in advance of formal application to the ICC for permission to merge the four lines.

The presidents noted that "no single aspect of the proposed merger has been given more thorough, thoughtful consideration than that of employment—from the standpoint of both the individual and the community in which he works."

"Future job opportunities for all employees now in service on the component lines are firmly assured by the plan of consolidation which, once approved, will require an estimated five years to complete. The gradual process of integration will have a minimizing effect on proposed employment changes.

"By the end of the consolidation period, the new company will be operating efficiently with about 8% fewer than the present 64,000 employees. However, in one year the normal employment turnover of 6% on the four lines creates almost as many jobs as will be vacated gradually over the five years of integration. More than 4,000 job opportunities occur annually on the component railroads because of resignations, retirements, deaths and other reasons.

"While it may be necessary for a few employees to change their line of work, in most instances they will be employed in the same or comparable positions."

The presidents said special efforts have been made to minimize the effects of employment changes on communities served. Eventual cutback in some areas "is inescapable; other areas will benefit." Principal changes will be made in larger cities, where rail employment is only a small fraction of the total work force.

Moreover, the three presidents said, employees now in service also have specific guarantees under federal law or by agreement and the ICC is required to specify protection features when an order approving a consolidation is issued.

Watching Washington *with Walter Taft*

• **NO PUBLIC HEARINGS** are contemplated by procedural plans as now shaped up by the so-called "Featherbedding Board" for receipt of major management and union presentations. The board is the commission appointed by President Eisenhower to study the railroad industry's dispute over working rules applicable to operating employees (RA, Jan. 16, p. 18)..

THE EXECUTIVE-SESSION APPROACH was decided upon at the commission's recent organization meeting in Washington. It is not clear whether the decision will close all sessions at which the commission hears the parties, but it is stated definitely that the press will be barred from the opening session, now scheduled for Feb. 6. And that is likely to be among the most important sessions because the parties will then make opening statements outlining their cases.

RAILROAD MEMBERS of the 15-man commission, which also includes union and public members, are not disposed to comment on the closed-door decision. Presumably they did not register formal opposition. Perhaps they were reluctant to have the commission get under way in an atmosphere of controversy. Yet they can't have liked the decision in view of the basic argument employed by management in urging appointment of the commission. That argument contended that the public has a vital stake in the elimination of "featherbedding" and thus should be fully informed about the issue.

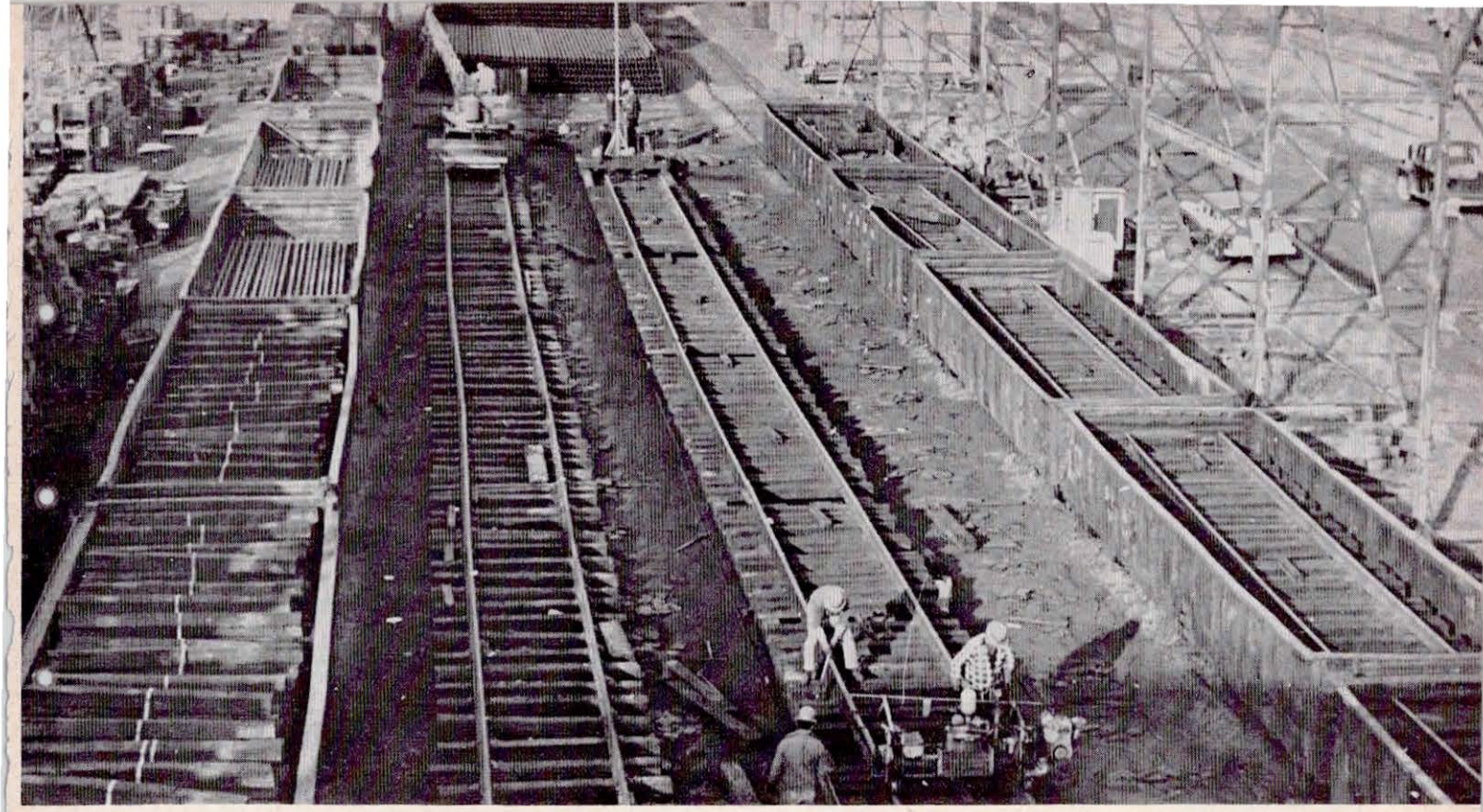
QUITE NATURALLY, the public-hearing approach was anticipated because available precedents support it. Public hearings have always been held by emergency boards and arbitration boards operating under procedures of the Railway Labor Act. The Presidential commission was expected to adopt like procedures, even though it is not bound by the Act.

COMMISSION CHAIRMAN MITCHELL, who was secretary of labor in President Eisenhower's cabinet, is understood to have sold the executive-session idea to his commission colleagues. His sales talk is said to have emphasized his view that agreements between labor and management are easier to bring about if proposed settlement bases don't call for retreat from publicized "institutional positions."

THAT SITUATION should be avoided by the commission, Mr. Mitchell continued. And he is reported to have advised that the best way to avoid it is to avoid public hearings which bring forth statements of "institutional positions." Mr. Mitchell is also reported to have expressed hope that statements made in executive sessions would not be released by the parties.

THE CANDIDACY of Chairman Mitchell for the governorship of New Jersey will not affect his service on the commission. He has let it be known that he will carry on because, if elected, his term as governor would not begin until next January. The commission's report is due next Dec. 1, but there is provision for an extension "not to exceed 90 days."

EXECUTIVE DIRECTOR of the commission is Philip Arnow. He has been assistant commissioner of the Bureau of Labor Statistics in the Department of Labor. The commission will operate from headquarters in Washington.



DISMANTLING FACILITY receives panels in an eight-car cut, unloads them and strips them, eight panels at a time. Rail, joint bars and re-use ties are loaded into gondolas and hoppers for shipment or storage while small material is sorted for reclamation or scrap. Unusable ties are trucked away to be given away or burned.

Rail Program Cuts D&H Costs

► **The Story at a Glance: About 40 miles of worn rail are slated for replacement with continuous welded strings on the Delaware & Hudson this summer. Rail for the program is being reclaimed from track taken out of service following CTC installations.**

Delaware & Hudson is pleased with initial results on its "panel track-reclamation-welded rail" program. Surplus track is being lifted at the site for about 10 cents a foot and stripped at Colonie, N.Y., for another 25 cents per foot, including transportation. Total cost of 35 cents compares with costs of about 55 cents per foot for track stripped by conventional methods.

D&H recently completed extensive centralized traffic control installations, which has made available a quantity of surplus track. Track panels now are being picked up between Schenectady and Oneonta, N.Y., on the Susquehanna subdivision. In the spring, track will come up between Oneonta and Afton on the Susquehanna subdivision and between Wilkes-Barre and Carbondale on the Pennsylvania subdivision. Track scheduled for winter removal was jacked before the ground froze.

Track removal is carefully keyed to requirements of next summer's program calling for about 40 track miles of welded rail. Excess rail in CTC territory, plus re-usable rail released by 1961 laying, will be welded next winter and should provide material for 30 to 40 miles to be laid in 1962.

Present operations are the first stage of a long-range welded rail program, which, says Vice President, Operation and Maintenance J. P. Hiltz, Jr., "in about four years will result in a high percentage of D&H track being laid with continuous welded rail." This "should reduce maintenance costs appreciably," Mr. Hiltz adds.

And, as C. E. R. Haight, chief engineer, points out, the stripping operation is yielding other benefits. A high percentage of ties, for example, are re-usable. Enough to take care of the entire 1961-1962 tie program and about one-half of the 1963 program are being salvaged in the stripping process.

Re-use ties are banded, loaded in drop-end gondolas and hauled to where they are to be used. They are unloaded by a Pettibone-Mulliken Speed Swing, which works its way through the train in the cars, and so avoids the cost of special tie-handling equipment.

Similarly, rail joints and tie plates are loaded as they are stripped. Joints are stored in bad-order hopper cars until they are needed. Then they can be unloaded without rehandling, through the hopper bottom. Small material is picked up with a magnet. The stores department, at an adjacent work area, classifies spikes and anchors for reuse.

The Colonie stripping facilities handle 25-30 cars (75-90 panels) per day on a three-shift schedule to keep up with Thomson-Manning Corporation's two-shift welding plant at Oneonta (which is set up to turn out an average of 200 welds per day). Panel loading in the field is single-shift and requires a work train, Transit Crane and operator, and a laborer to attach the D&H-designed, self-releasing lifter to panels. A foreman and an eight-man crew at Colonie use the old lumber-yard craneway to unload and strip panels and reload materials.

The entire process—lifting, dismantling, welding and distributing—takes about 500 gondola cars. "This represents about one-half of D&H's fleet of this type of equipment," Mr. Hiltz says. Because gondola cars are currently in light demand he adds, "Progressing the work at this time will not adversely affect our per diem situation." And the program as a whole is getting for the D&H substantially improved track at minimum costs.

D&H PROGRAM, STEP BY STEP, IN PHOTOGRAPHS—PP. 14-15 ►

1 MODEL 28 AUTOMATIC SEND-RECEIVE SET—facilities for sending and receiving messages plus tape preparation and reading, receiving in tape, integrating tape and manual keyboarding. Incorporates major components of Model 28 line in single, compact console—a "complete station."

2 MODEL 28 SEND-RECEIVE PAGE PRINTER—for sending messages by direct keyboard, receiving incoming traffic, providing print-out facilities. Sprocket feed, horizontal tabulator and form positioning arrangements available. Both this unit and the automatic send-receive set are equipped with the "Stunt Box," a built-in control and switching device.

3 MODEL 28 TAPE READER—advanced reader-distributor design permits (1) reading of punched tape for serial transmission; (2) reading of punched tape for simultaneous output on parallel-wire basis; (3) translating of electrical impulses from an external parallel-wire source for serial transmission. Available for 5 or 6-level code.

4 MODEL 28 TAPE PUNCH—receives incoming electrical signals, punches a 5-level tape and prints-out data on the tape. Used for message relaying, combining data from several sources on a single tape, or providing punched tape as a by-product of send-receive operations for input to business machines.

Teletype Model 28 Line...

standard units that offer flexibility, economy and reliability for message and data communications systems

The Teletype Model 28 line offers facilities to meet a wide variety of requirements in message and data communications equipment. It is an integrated line, designed on the modular principle, permitting flexibility in selection and interchange of components.

Speed is 10 characters per second for page units and typing tape punches—up to 20 characters per second for tape readers and non-typing tape punches. Page printers and tape punches can be adapted for parallel-wire input.

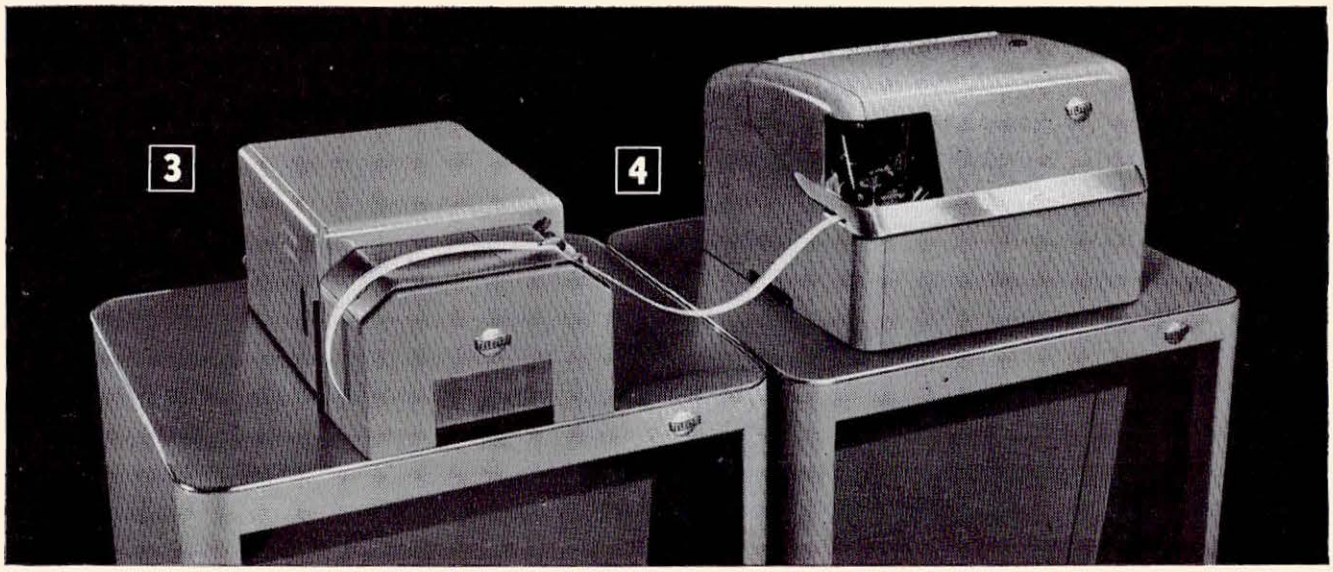
Exclusive with Teletype Model 28 page printers and automatic send-receive sets is the versatile "Stunt Box," a built-in mechanical memory device that is automatically activated by keyboard or line signals. The Stunt Box is used for internal control of "extra" features in the printer and external control of operations that can be activated electrically. It provides a simple, economical approach to station selection and many remote control problems.

The Teletype Model 28 line is specifically designed for continuous operation and very low maintenance. All-steel clutches and simple harmonic-design elements insure reliability and greatly reduce servicing needs. For example, the lubrication interval when operating at 10 characters per second is 6 months or 1,500 hours' operation, whichever occurs first.

Teletype Corporation manufactures this equipment for the Bell System and others who require the utmost reliability from their data communications facilities. Can be used with Data-Phone and other communications services.

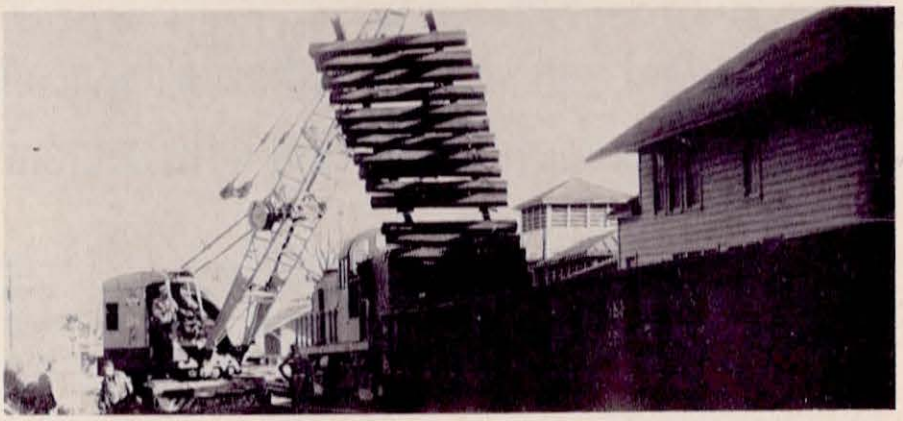
More Information. Write for descriptive literature folder on Teletype Model 28 line to Dept. 81-A, 5555 Touhy Avenue, Skokie, Illinois.

TELETYPE®
CORPORATION
SUBSIDIARY OF *Western Electric Company* INC.

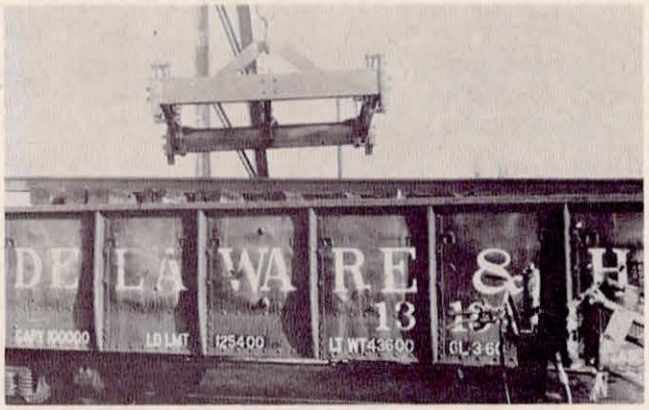


Three Steps: Lift, Strip, Weld

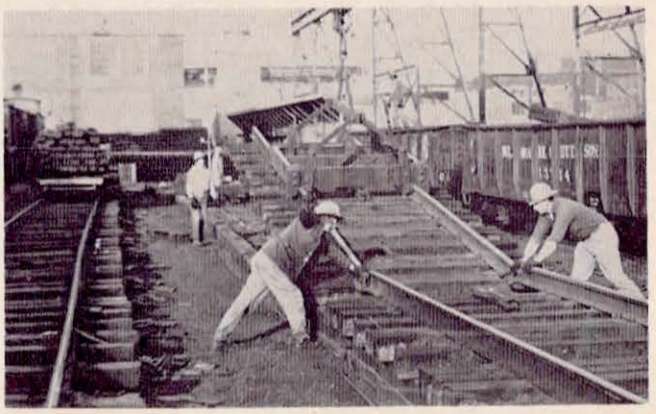
1. **JOINTS ARE SQUARED** as the first step in preparing panels for shipping. A Pettibone-Mulliken Speed Swing evens the joints.



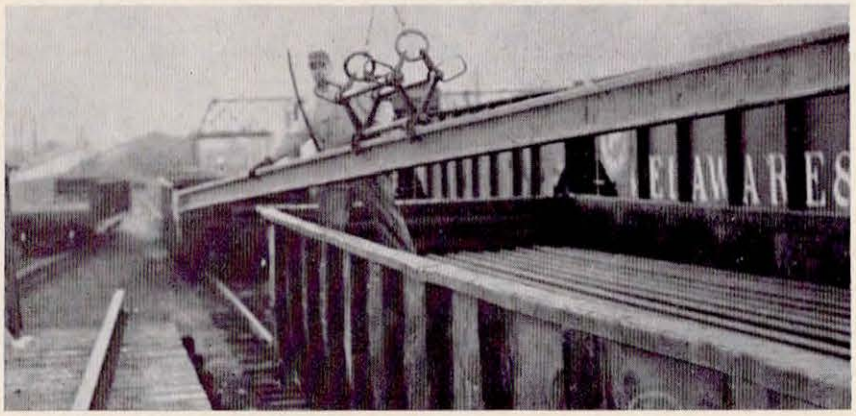
2. **TWO MEN AND A TRANSIT CRANE** are assigned to load panels into gondolas on the work train. Between 75 and 90 panels are loaded in a typical eight-hour day. The work train clears the line for several scheduled freights and a passenger train each day. Off-track crane is not affected by traffic.



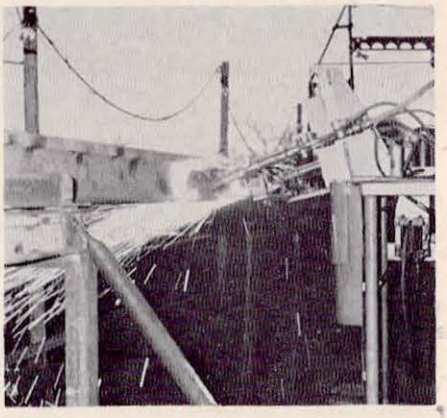
5. **SELF-RELEASING LIFTER** slung from the overhead crane unloads panels at Colonie. Similar lifters are used on the loading operation in the field where they are operated with a Transit Crane.



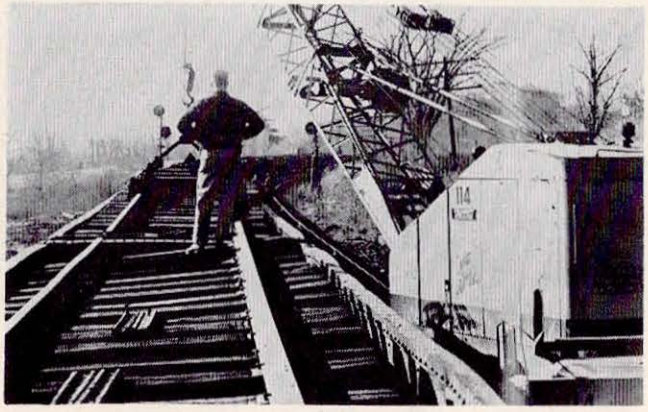
6. **EIGHT PANELS** are laid end-to-end to form 312-ft track on which a mechanical spike-puller can be operated. Longitudinal supports raise panels to provide space for small material to accumulate.



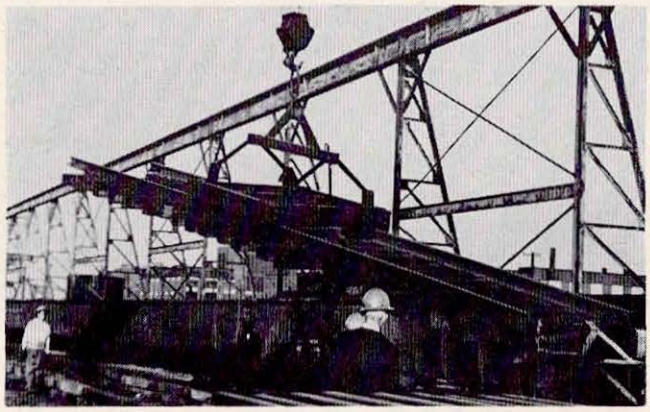
9. **WELDING PLANT** at Oneonta Yards is operated under contract by Thomson-Manning Corp. of Castleton, Vt. Transporting rail to Oneonta—and welded strings to trackside destinations—requires nearly half of D&H gondola fleet. Rails are unloaded singly for welding line.



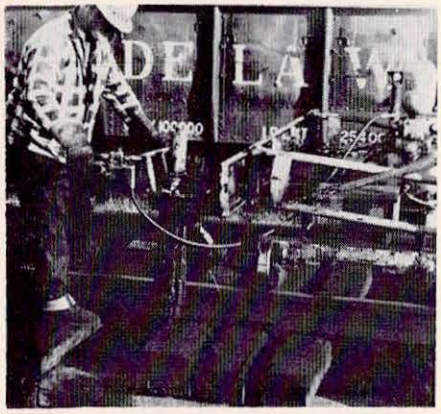
10. **ENDS ARE CROPPED** with acetylene torches to remove bolt holes. "Crops" from the 10,000 rails involved will yield 600 tons of scrap, all told.



3. GONDOLAS ARE SPOTTED by the work-train brakeman. Three panels are loaded in each car. Joint bars, spiked to ties, move with the panels. Lifting operation strips the right-of-way, except for ballast.

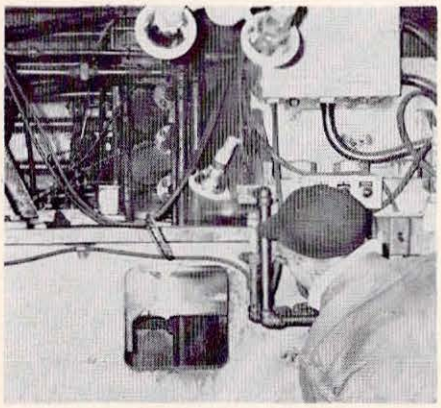


4. PANELS ARE MOVED to Colonie in a local freight in 25- to 30-car lots. Eight cars are unloaded and stripped at a time. Backlog of panels to be unloaded is kept as small as is consistent with a steady supply.

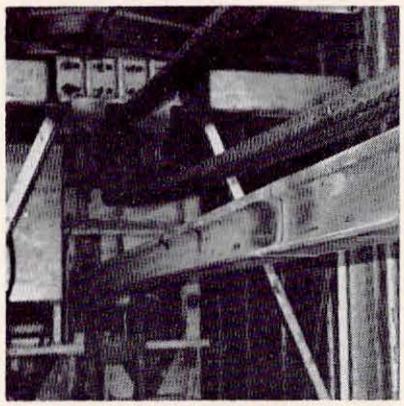


7. MECHANICAL SPIKE PULLER is used on the eight-panel dismantling track. Stripping process is finished manually after spikes are pulled.

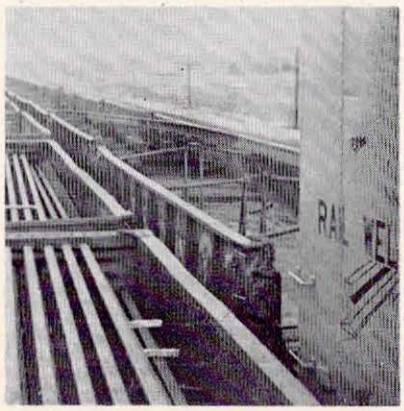
8. TIES ARE LOADED on a push-car to be banded and loaded in drop-end gondolas for shipment to re-use location. Rail is loaded by overhead crane, into gondolas for shipment to welding plant or onto stockpile if balance of shipment is different rail section than is currently required for welding.



11. ELECTRIC FLASH WELDING is completed in 90 seconds and the rail moves on to be sheared of excess metal and get the first inspection.



12. GRINDING MACHINE smooths the weld at top, bottom and sides in two automatic operations. Chain drive moves the heavy welded rail.



13. TESTING AND LOADING are the final stages for the finished rail strips, as cars with incoming rail begin to accumulate.

RR Unemployment Insurance:

- Strikers are paid—by their employers—during a walkout.
- Quitting is no bar to drawing unemployment benefits.
- Maternity payments amount to 'subsidized motherhood.'
- Workers fired for criminal offenses can still get paid.
- Two, even three, types of benefits can come in one year.

Projected future costs of the railroad unemployment insurance system could probably be cut by upwards of 25%—if the law were amended to remove what management representatives view as glaring inequities: such items as benefit payments to strikers, to men who quit their jobs; payments as maternity benefits, a unique feature of the railroad system; liberal payments for sickness benefits, at no cost to the employees covered.

Current estimates put total future payments under the RUIA at about $202 million per year. Elimination of maternity benefits; sharing the cost of sickness benefits; and elimination of payments to strikers, discharged or suspended employees, quitters, those employees entitled to immediate annuities under Railroad Retirement or Social Security and those involved in frauds could cut that cost by about $55 million per year.

As RRB Management Member Tom Healy notes, "$55 million—that would buy a lot of box cars."

(Such wholesale cutbacks aren't likely. President John F. Kennedy has already pledged his party to make still further improvements in the railroad unemployment insurance picture. And, unless there's a complete switch in thinking—which also isn't likely—those "improvements" won't cost anybody any money except the railroads.)

To be sure, there are provisions in the present law which permit disqualification of claimants under certain conditions. But the "disqualification" is more the slap-on-the-wrist variety than any attempt at squaring things morally or ethically. A few examples:

- An employee who knowingly makes a false statement or claim in order to get benefits is disqualified for 75 days beginning with the first day of the registration period involved. *But there's no legal provision to prevent the payment of benefits for days after the end of the 75-day period, or to reduce the maximum amount of benefits because of the fraud.*
- An employee who voluntarily quits suitable work without good cause is disqualified for 30 days beginning with the date of the quit. *But there's no legal provision to prevent payment of benefits after the 30-day period, or to reduce the maximum amount of benefits.*
- Benefits are not payable to striking employees if the strike is begun in violation of the Railway Labor Act or in violation of the rules and practices of the labor organization involved. *But there is no provision to prevent payment of benefits to strikers if the work stoppage qualifies as a "legal" one. Further, there is no provision to prevent payment of benefits to non-strikers who are idle only because they refuse to cross a picket line.*
- An employee discharged or suspended for good cause can collect. *There is no provision to prevent such benefit payment.*

This isn't exactly nickel-and-dime outgo. In the benefit year ended June 30, 1960, strikers and employees who quit or were discharged or suspended drained the account of about $9.6 million. (Total doesn't include possible additional extended benefits under the 1959 amendments to the Act.) Another $8,005,000 was paid out between July 1 and Nov. 6, 1960, to strikers and other employees idled because of strikes, as a wave of walkouts hit the Long Island, Pennsylvania, Grand Trunk and a number of industrial roads. (Figures don't include payments resulting from the Rutland strike.)

Is there hope—still—for reversing the trend, for rolling back some of the more outlandish provisions of the present Act? Observers close to the situation think so. They're particularly hopeful that the unique payment-to-strikers provision will be dropped. The public—and governmental—outcry following the Long Island and PRR walkouts gives them hope. But it won't be easy to win.

Ewing Galloway

A 'Grab Bag' for the Idle

In the 1959 session of Congress, for example, the House Committee on Interstate and Foreign Commerce approved, by a 2-1 margin, proposals to remove certain inequities in the Act. Then the proposition ran into overwhelming opposition in the Senate. But, Mr. Healy comments, "We did get our foot in the door—and there have been some encouraging signs."

Several identical bills were introduced in the last session calling for denial of unemployment benefits to strikers—a restriction already covered by virtually all other federal and state laws and supplemental benefit plans.

Sharing the Cost of Sickness

Another bill would have required railroad employees to contribute to the sickness benefit program, which the railroads alone have financed since 1947. This, too, would merely have applied to the railroad industry legal provisions which apply elsewhere—only four states provide sickness benefits at all, for example, and each requires employee contributions.

Passing for a moment the issue of benefits to strikers (which one management spokesman charges exist entirely outside the realm of moral, spiritual or ethical justification), look at the record on payments to workers who were fired or suspended (*see accompanying table*).

Why were some of these men discharged? In the 1959-60 benefit year, 924 claimants were discharged or suspended for Rule G violations, 1,044 for violation of operating rules or regulations, 472 for responsibility for an accident. Payments to claimants in these groups alone cost $1,476,370.

Other hundreds of men were fired or suspended for such reasons as missing calls, absence without leave, unsatisfactory work, garnishment, misconduct, insubordination, negligence, dishonesty, police record. But hundreds of them collected unemployment benefits—financed solely by the employers who had discharged or suspended them.

Then there's another category, occupied by men who found themselves unemployed as a result of the carrier's acting as policeman for the labor organization. Almost 400 claimants in this group collected $322,840. Reason for their discharge or suspension: nonpayment of union dues.

Take the "quit" group. In the 1954-55 benefit year, 14,700 employees left railroad service—and later collected $7,155,000 in unemployment benefits. By 1959, the number of beneficiaries had declined to 9,700, but inflated benefit rates pushed the payment total to more than $8 million (including extended benefits).

Still another category embraces the employees, age 65 or older, who could probably qualify for retirement annuities but don't apply. Sample tabulations indicate that 6,400 employees in this group collected $5.289,000 in unemployment benefits and 16,800 drew $8,591,000 in sickness benefits during the 1959-60 benefit year.

Then there are the double-dip workers—those collecting two types of benefit within a single year. Sample tabulations indicate that in 1957-58 (last year for which data are available) 24,600 workers drew both unemployment and sickness benefits, 300 got both unemployment and maternity, 200 collected both sickness and maternity. A few even dipped into the account three times—for unemployment, sickness and maternity benefits all collected within a single benefit year.

One of the major points in the fight for legislative amendments concerns maternity benefits—which, outside the railroad industry, are paid only by Rhode Island (and are financed solely by employees under the Rhode Island

(*Text continued on page 24*)

Benefit Year Ending June 30	Discharged		Suspended	
	BENEFICIARIES	AMOUNT	BENEFICIARIES	AMOUNT
1955	7,900	$3,865,000	2,200	$1,074,000
1956	7,000	3,471,000	2,400	824,000
1957	6,600	3,501,000	1,800	686,000
1958	7,800	4,937,000	2,400	1,051,000
1959	6,900	6,324,000*	2,100	1,126,000*
1960	5,500	4,651,000*	2,200	1,037,000*

*1959 figures include all extended benefits payable under the benefit year; comparable data for 1960 are not available.

WHO'S GRABBING WHAT? TURN THE PAGE►

THE LOOPHOLES: claims like these

Subsidized Motherhood Within less than a year's time, a railroad stenographer drew $390 in sickness benefits, $975 in maternity benefits and another $268.98 in sickness benefits. Then she worked a month, earned $447, drew vacation pay and resigned. And the dip resumed. She drew $908 sickness benefits, then (just a few months later) began drawing additional sickness benefits and, later, maternity benefits—again. On both the latter draws, she was eligible to receive up to $447. All this with less than one month's service over a 26-month period.

● A car cleaner got maternity benefits of $810. Then she worked a bit more than 10 months. Furloughed for two and a half months, she drew unemployment benefits of $320. Then it was back to work for less than two months, followed by this series of draws: Unemployment, $64; maternity, $832, unemployment, $231. Benefits paid totaled $2,257. Basic earnings amounted to only $2,661.

● A bill clerk who quit her job voluntarily Aug. 31, 1955, collected maternity benefits totaling $910 on her (fiscal) 1954 earnings, then came back about a year later to collect $780 on her 1955 earnings.

● Another employee collected maternity benefits of $1,105 between July 17, 1957, and Jan. 10, 1958. On that date, she requested and received vacation. She resigned on Jan. 31, when her vacation period terminated. Then, from March 3 to Sept. 15, 1958, she drew $1,420 in unemployment benefits.

● Here's an employee who resigned in May 1956, after only eight months' service (as luck would have it, four months in fiscal 1955 and four months in 1956). In 1957, she drew $975 in maternity benefits, based on 1955 earnings. A year later, she drew another $975 in maternity benefits, based on 1956 earnings. Only the years were different.

● Still another employee worked from May 1956 through April 15, 1958, with creditable earnings totaling $8,351. Then: April 17, 1958, to Aug. 10, maternity benefits, $1,105; Sept. 16, 1958, to April 15, 1959, unemployment benefits, $1,079.50. Here she went to work for the government for a brief spell (a little more than four months), was furloughed and started collecting benefits again from the railroad unemployment insurance account, drawing $1,275 in unemployment benefits and following that up with another draw of $1,256.20 in maternity benefits—not from her last employer, because the government does not pay such benefits but from the railroad unemployment insurance account. The grand total: $4,715.70—and all on creditable earnings of $8,351.

How to Strike It Rich Just in fiscal 1960-61, from July 1 to the present time, unemployment benefits totaling $8,005,000 have been paid to about 98,000 claimants—all of them idled because of strikes. About $2,000,000 went to actual strikers; and the rest went to employees furloughed by work stoppages—and to those who refused to cross strikers' picket lines.

● Biggest of the strike bites came when Mike Quill's TWU and the AFL-CIO system federation struck the Pennsylvania. The walkout came after the organizations rejected settlement recommendations of a neutral referee and a Presidential fact-finding board. Settlement eventually came on terms which the railroad said could have been had without a strike. But there was a strike. It cost the unemployment insurance account about $6,250,000. And every nickel in that account is paid by railroads.

● When Jimmy Hoffa's Teamsters hit Railway Express in 1957, it was a $2,800,000 blow to the unemployment insurance fund. Striking drivers, 1,745 strong, were getting $61,000 per week. About 6,420 other REA employees—those furloughed, those refusing to cross Teamster lines—got $175,000 per week. And some 7,500 railroad employees, laid off because of the work stoppage, got about $260,000 per week.

The High Cost Of Firing A trainman, discharged Jan. 1, 1955, for being drunk on duty, went on to collect unemployment insurance benefits for 52 weeks, totaling more than $2,000. He was paid January-June on his 1953 earnings, July-December on 1954 earnings.

● A switchman, discharged July 31, 1957, for "nonpayment of union dues" drew $1,105 in unemployment benefits between Aug. 1, 1957, and Feb. 5, 1958—and then another $1,105 between July 1, 1958, and Jan. 5, 1959.

● Another employee, discharged in October 1956 for "excessive absenteeism," collected $1,032.51 through February 1957 and $522.84 more after July 1, 1958.

● Then there was the employee discharged in February 1957 for "responsibility for wreck." He went on to draw unemployment benefits totaling $1,870 and sickness benefits amounting to $587.

● Six employees were arrested and charged with looting freight shipments. Each of them filed claims for unemployment insurance the same day they were released on bail (the others followed one and two days later). They were discharged by their employer and were con-

cost railroads $55 million a year

victed on the following day. What's happened? Well, one man has collected $1,300 in unemployment benefits and continued to collect through 1960. In all, three are still drawing benefits. And a footnote: Shipments looted were valued at $50,000. Upon conviction, the defendants were fined $100 each and received one-year sentences—which were suspended.

● This employee was discharged for robbery (convicted in 1959, fined $100 and sentence suspended). He began drawing unemployment benefits immediately and will collect a total of $2,101.20 before benefits are exhausted.

● Here's an employee with total railroad service of 14 months, in which he earned $4,290.84. He was discharged for just cause—"false statement"—and since then has drawn $2,767.80 in unemployment benefits. It happened this way: After discharge Nov. 22, 1957, he drew benefits totaling $810 between Nov. 25 and April 26, 1958. On July 2, 1958, the start of a new benefit year, he began drawing again and got $1,105 through Jan. 26, 1959. Then —under the legislative amendments of 1959, he was awarded $213.20 retroactively. And finally, he applied for temporary benefits under the 1959 amendments and got $639.20 for the period Feb. 2, 1959, through May 10, 1959.

● Men may be discharged for Rule G violations—but they're sober enough when it comes time to collect unemployment benefits. In 1959-60, the account paid $746,410 to claimants discharged or suspended for observing the rule in the breach.

Quitting Can Be Fun!

A veteran clerical employee resigned back in 1956 to "enter real estate business." Unemployment benefit collections amounted to $1,105 based on 1955 earnings, another $1,105 on 1956 earnings—for a total $2,210, all received after voluntarily quitting the railroad business.

● A laborer worked four months, earned $896.08 and quit. Subsequently, he drew that same amount in unemployment insurance benefits—while he was roaming around in four western states.

● A clerk voluntarily quit in 1957 because she "didn't like the job." But she drew $1,040 in unemployment benefits between Nov. 15, 1957, and May 29, 1958, and then got another $175.50 between July 1 and July 20, 1958.

● A telegraph operator who quit—without notice—July 3, 1959, went on to draw unemployment benefits totaling $1,229.81 between Nov. 4, 1959, and July 6, 1960.

● Many others leave the same record behind. A section laborer quit in July 1959 and moved back to his home state. He got $1,274.88 in benefits. A yardman quit in August 1959. He drew $1,167.39 in benefits through May 12, 1960.

Double Indemnity

An employee, over 65 years of age and entitled to an annuity under Railway Retirement, was laid off Oct. 22, 1955. He requested his annuity effective March 1, 1956—and collected $975 in unemployment benefits in the interim.

● This employee had just 114 months' service—six short of the minimum required for a Railroad Retirement annuity —when he left the service in December 1957. From Jan. 3, 1958, to March 26, 1958, he drew $875.93 in unemployment benefits. Then he was awarded a Social Security annuity retroactive to January 1957 and $551.87 of the $875.93 paid him under the RUIA was recovered. But—he went on to be employed in outside industry from July 1958 until October 9, 1958, when he was injured. This, remember, was 10 months after his last railroad service. He then began claiming sickness benefits (based on 1957 railroad earnings) and through June 30, 1959, he collected $1,225—the difference between his Social Security annuity and his entitlement under the Railroad Unemployment Insurance Act.

'There is A Limit'

Here's a claimant who filed for and received unemployment insurance benefits while he was employed by outside industry. Amount of the fraudulent claims was determined to be $1,260—$260 under his total benefit entitlement of $1,520. Claimant was convicted and served 60 days in jail. On the day after his release—which was beyond the 75-day period of disqualification for making fraudulent statements—he began filing for unemployment benefits and, under the law, collected the remaining $260.

● A railroader, deeply in debt, pleaded guilty to accepting six unemployment benefit checks while he was actually holding a job in outside industry. His attorney pleaded for mercy for his client—father of one child, with another on the way; sole support of the family; no previous record. Restitution of $600 had been made. But the judge was quoted this way: "This is not the first time we have been through this. We've had a number of similar violations in recent weeks. . . . The court is human and is sympathetic—but there is a limit the court can go. . . . If sympathy is to rule the court, then we are in trouble. And there is no sense in having any courts. . . . A judge must remember that the mercy he gives is not his own, but that of society—the community. And the whole theory of criminal law is punishment to deter others." Sentence: 59 days in prison, $100 fine.

REPRINTS of this article are available in quantity. Contact Publisher, Railway Age, 30 Church St., New York 7, N. Y.

Border to B

TRAILER TRA

puts on

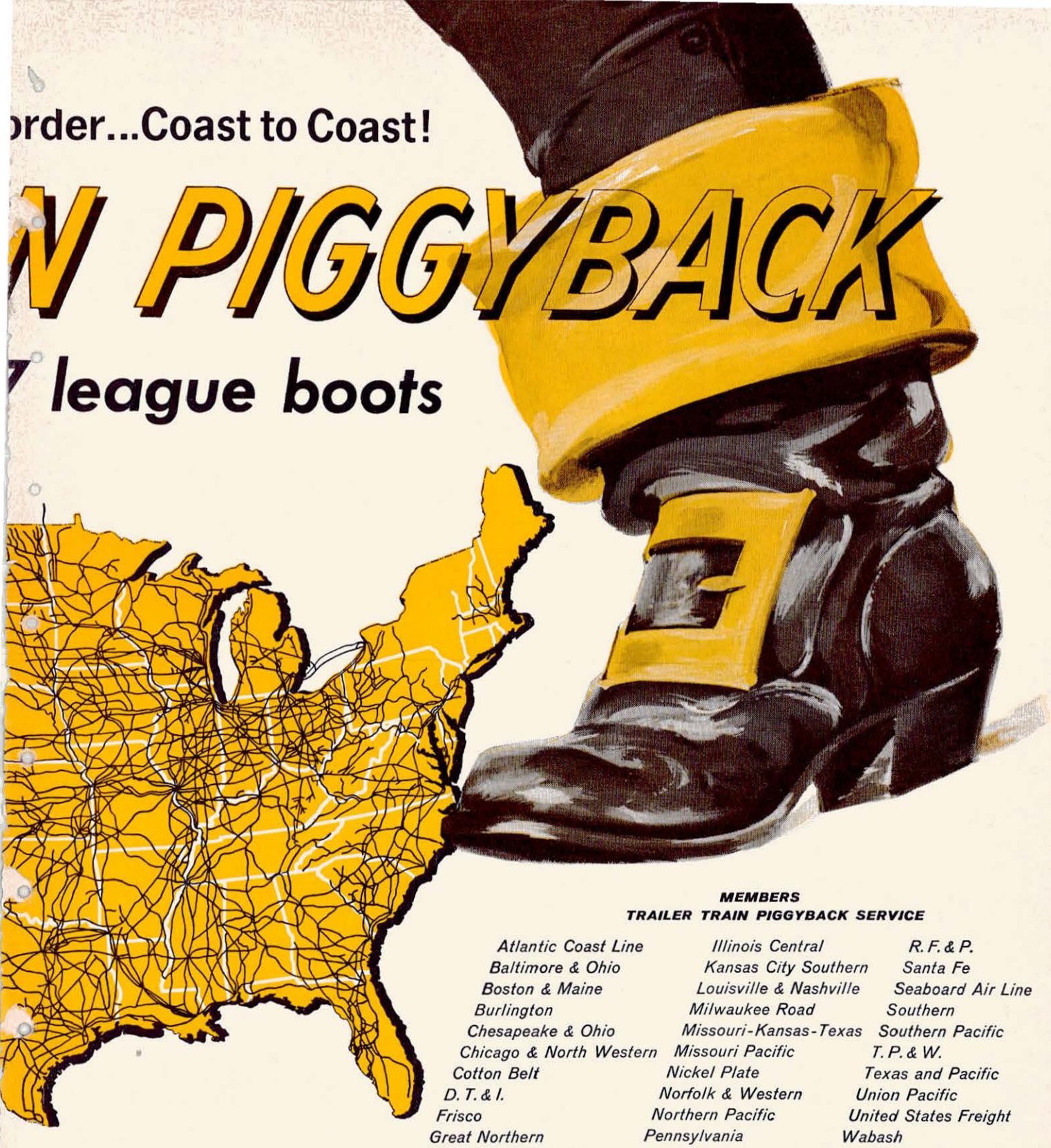
NOTE THESE GIANT STRIDES BY AMERICA'S FASTEST GROWING PIGGYBACK SYSTEM– IN LESS THAN 5 YEARS . . .

- From 2 to 32 members . . . from 6% to 75% of the Nation's Class 1 railroad mileage.
- From 500 to 6,200 modern, roller-bearing cars on freight trains operating at passenger train speeds.
- From limited runs to interline piggyback – border-to-border . . . coast-to-coast.
- From an experiment in joint ownership to proved economy of a vast member-owned equipment pool.

ɔrder...Coast to Coast!

N PIGGYBACK

7 league boots



MEMBERS
TRAILER TRAIN PIGGYBACK SERVICE

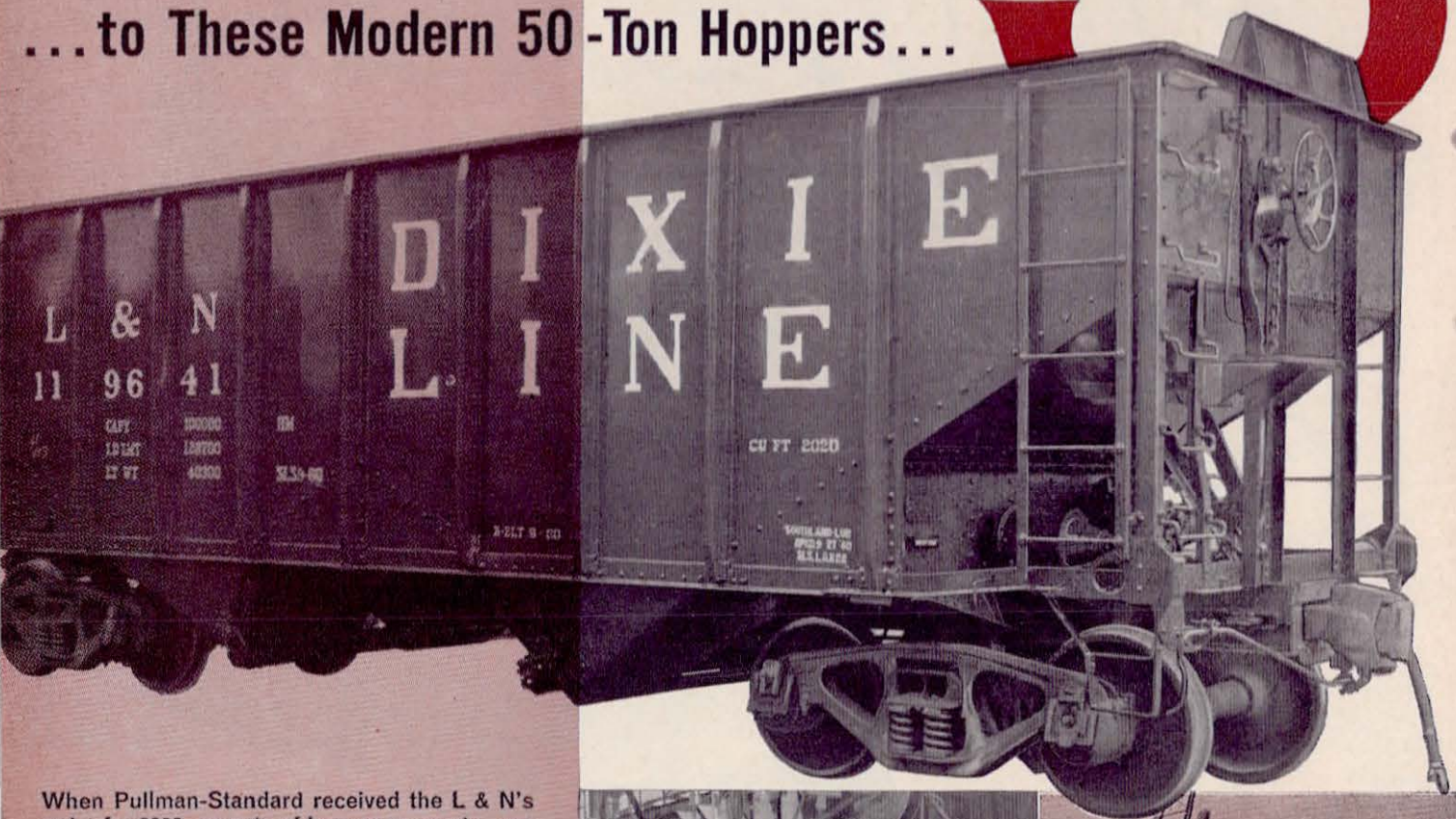
Atlantic Coast Line
Baltimore & Ohio
Boston & Maine
Burlington
Chesapeake & Ohio
Chicago & North Western
Cotton Belt
D. T. & I.
Frisco
Great Northern
Gulf, Mobile and Ohio
Illinois Central
Kansas City Southern
Louisville & Nashville
Milwaukee Road
Missouri-Kansas-Texas
Missouri Pacific
Nickel Plate
Norfolk & Western
Northern Pacific
Pennsylvania
R. F. & P.
Santa Fe
Seaboard Air Line
Southern
Southern Pacific
T. P. & W.
Texas and Pacific
Union Pacific
United States Freight
Wabash
Western Pacific

All for one—and one for all!

TRAILER TT TRAIN

6 Penn Center Plaza • Philadelphia 3, Pa.

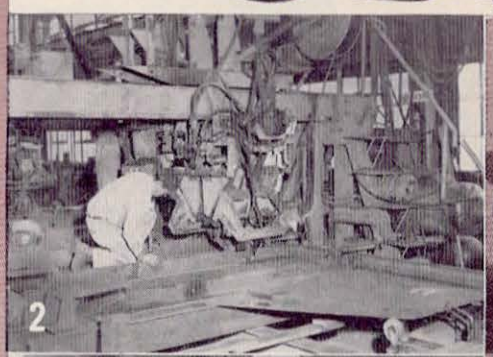
From Old Cars Like This ...to These Modern 50-Ton Hoppers...

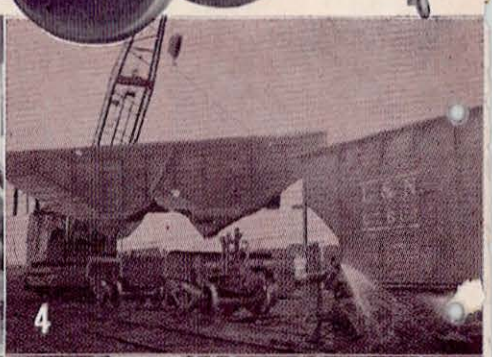


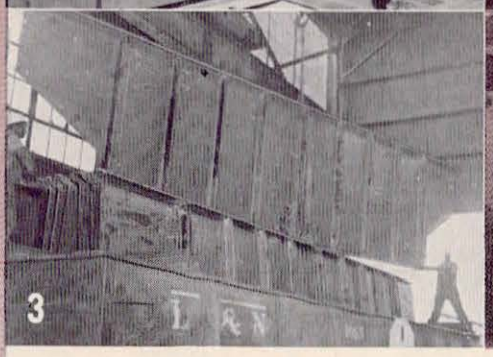
When Pullman-Standard received the L & N's order for 3229 car sets of hopper car parts, one of the largest rolling stock rebuilding programs in railroad history was under way. Service worn 50-ton hoppers, each from 17 to 23 years of age, are being completely rebuilt by the L & N, from the center sill up. Sides, ends, hopper chutes, hopper doors, in fact all parts, are new and fabricated by Pullman-Standard.

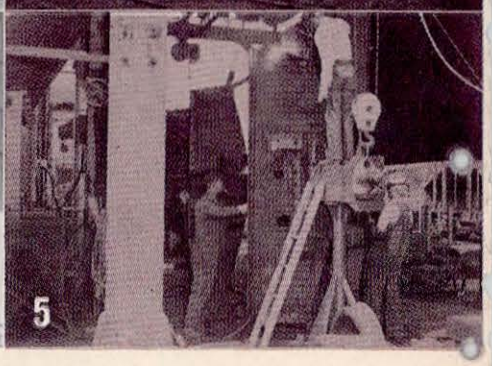
Hopper cars selected for rebuilding enter the L & N Strawberry Dismantling Yard where car bodies are cut from the center sill and trucks. The underframes and trucks then move to the South Louisville Shop rebuilding line, named the "Blue-Chip Line." Each car receives 140 new parts or assemblies, applied station-by-station in the rebuilding process. To handle the logistics of approximately 500,000 parts, large and small, the L & N and Pullman-Standard have established a shuttle service of materials cars between the P-S Plant at Bessemer, Alabama, and the L & N Shops at Louisville. Pullman-Standard production and delivery schedules have been geared to "Blue-Chip Line" needs. This means P-S tested and proved hopper car parts, precisely fabricated for proper assembly match-up, are arriving in pace with the twelve-car-per-day rebuilding schedule.

The ability to program and meet production schedules with quality, precision-made, experience-proved parts is one of the reasons Pullman-Standard was selected as the supplier to the L & N "Blue-Chip Line."







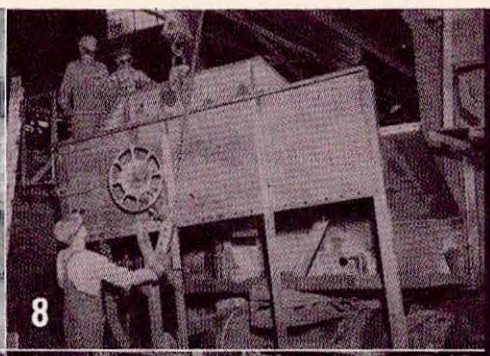


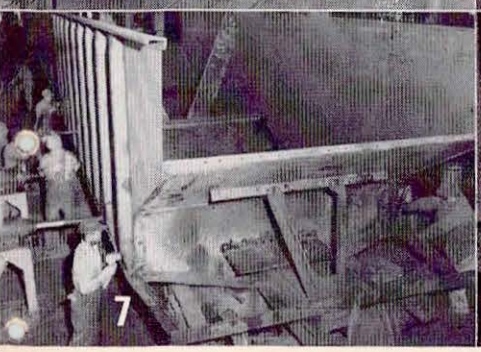
229

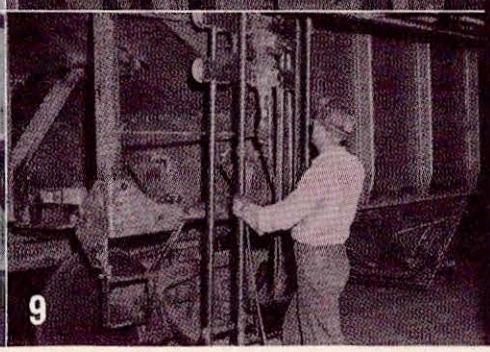
TIMES BY THE L&N

Nearly a Half-Million car parts made by Pullman-Standard are assembled on the L & N "Blue-Chip Line."

6


8


7


9

"BLUE-CHIP," START TO FINISH

1. Service worn veterans like this L & N No. 61955 arrive at the L & N Strawberry Yard in Louisville.
2. Automatic welding machines at P-S Bessemer Plant speed quality fabrication of new hopper car sides.
3. Shuttle service L & N materials cars are loaded at Bessemer bound for the L & N South Louisville Shops.
4. Strawberry Yard cranes remove torch-cut car bodies from undercarriages.
5. On the "Blue-Chip Line" underframes are repaired and refurbished to accept new parts and assemblies.
6. Position by position, on the "Blue-Chip Line," new P-S hopper car parts are applied.
7. New side assemblies are bolted into position while firmly held with hydraulic rams.
8. New P-S ends go on as units. Quality fabrication provides proved assembly strength.
9. Special reamer speeds fit-up as car moves toward final assembly, truck rework, finish paint and shipping.

CLOSED TO PROGRESS
P I
MEMBER

PULLMAN-STANDARD

A DIVISION OF PULLMAN INCORPORATED
200 SOUTH MICHIGAN AVENUE, CHICAGO 4, ILLINOIS
BIRMINGHAM • PITTSBURGH • NEW YORK
J. C. FENNELLY COMPANY, SAN FRANCISCO REPRESENTATIVE

 (*Continued from page 17*)

Temporary Disability Insurance Act). Railroad maternity benefits, in contrast, are financed solely by the employers and can run as long as 115 days. Twenty-eight days of the total period (14 at the start and 14 after date of birth) are paid at one and a half times the normal rate.

On all of these points—alleged payment inequities ranging from strikes to impending motherhood—Tom Healy and a few other management representatives have been covering the country like circuit-riders, preaching the gospel of reason and trying to enlist solid railroad support for legislative repeal. It's a tough job, working up enthusiasm for one specific set of proposals at a time when management finds itself faced with so many legislative and regulatory inequities that it's a toss-up where to start campaigning. But—about $55 million per year might be saved through RUIA amendment. And that's better than 10% of the total estimated railroad net income for 1960.

Remedy: 'Self-Help' Isn't Enough

Critics who accuse the railroads of failing to see through their tears to find ways of self-help would do well to study the record in the unemployment insurance field.

Progress has been made—but here, as in so many areas, self-help goes only so far. Beyond that point legislative relief is imperative.

The Railroad Retirement Board and the carriers, working together, have made significant savings. In the past four years, employment was found for more than 140,000 active and potential claimants. Over the same period, about 800,000 benefit days claimed have been denied, largely through stimulated policing activities.

Savings through these avenues amounted to more than $22 million in the 1959-60 benefit year. Another $20 million was conserved through effective policing which resulted in disallowance of about 2,000,000 benefit days claimed under the 1959 retroactive amendments to the Act.

Fraud prosecutions are being pressed—four convictions in rapid-fire order recently in Memphis, Tenn.; three convictions a few days later in Roanoke, Va. All defendants got jail sentences and, at Roanoke, sentences not only required return of the money fraudulently obtained but also payment of interest.

RRB Management Member Tom Healy commented not long ago that "we have made great progress in the last few years, but . . . we still find missed opportunities, responsibility failures and lack of overall understanding. To insure constant success the efforts must be continuous, for the cost of the railroad unemployment insurance system is very definitely a part of railroad operating expenses."

RRB-carrier test checks show some of the areas where understanding of the requirements and close scrutiny of claims can pay off:

- Claimants must be available for work—they're not eligible for benefits if they don't respond to calls, mark off for any reason, go on unauthorized leave or delay their return after furlough. (One trainmaster, for example, called 20 men who were drawing jobless pay—six didn't answer the phone, five were reported as "gone fishing," three said they were laying off, five were reported out of town and one refused the call because he was working on his car.)
- Claimants aren't entitled to benefits for any day on which they're employed. In one example, 66 out of 118 cases checked at one point showed that employees claimed and received benefits for one or more days on which they actually worked on the railroad.
- Benefits aren't payable to extra-board employees for any claim period (14 days) if mileage worked, including arbitraries, constructive allowances and dead-head time, exceeds certain limits. Checks found cases such as these: Fireman claimed zero miles run, drew $102 in benefits. Actually, he worked 1,637 miles. Brakeman claimed 1,350 miles run (limit for road freight trainmen and enginemen is 1,400 miles), drew $30.60 in benefits. Actually, he worked 2,105 miles.
- Benefits aren't payable to employees removed from service because of excess mileage worked in any month. They can't report as "lay-offs" in order to draw unemployment pay.
- Benefits aren't payable for any day during an authorized leave of absence. An employee based in Chicago, for example, can't go to Florida on authorized leave and there legally collect jobless pay on a claim he was furloughed. But it's happened.
- In general unemployment benefits aren't payable for failure to exercise seniority rights.

How can the carriers improve their own situations? In a number of ways, according to RRB and carrier officers:

- By choosing unemployment claims agents carefully, from exempt personnel, where possible. They should be few in number, thoroughly trained, knowledgeable about general conditions in their respective areas. And they should receive management's constant encouragement.
- In the case of train and engine service employees, by checking extra boards frequently to remove surplus.
- By providing for personal checks on agents' activities by division and terminal officers.
- By eliminating promiscuous hiring practices and encouraging preferential recall of furloughed workers.

RUIA Vital Statistics

As of the close of business Sept. 30, 1960, the Railroad Retirement Board reported a deficit of $105,372,831.38 in the railroad unemployment insurance account. Consequently, the tax rate—levied solely against the railroads— will remain at 3.75% in 1961.

RRB also reported that through Jan. 11, 1961, the unemployment insurance account had borrowed $252,879,000 from the railroad retirement account. Repayments had amounted to $104,271,000 in principal and $1,369,245 in interest, leaving a balance of $148,608,000.

Why RRs Use More Dial Phones

To meet competition, railroads must have first-class communications.

Among the various modern communications methods available are direct distance dial (DDD) telephone systems. Such systems enable a man at his desk to dial directly another railroad man at any location on the system.

DDD, with its attendant automatic telephone exchanges, saves time and money for railroads. It provides better service for railroad customers—passengers as well as shippers.

"We no longer are in position to give our customers answers with 12, 24 or 48 hours delay. If we do, they merely turn around, walk across the street to a competitor . . . ," says Northern Pacific's communications superintendent D. C. Hill.

Many railroads are keeping their customers by providing fast reservation answers through use of direct distance dialing, sometimes called intercity dial telephone service. DDD enables the ticket agent to dial directly a central reservation office. DDD can be the railroad answer to the airlines' much-advertised electronic reservation systems.

On the freight side, shippers no longer are satisfied to wait for telegrams to handle their car-location requests. Shippers want immediate answers when they telephone the railroad agent. Because of this, several railroads have set up central car tracing offices, which can be reached by the local agents via DDD.

Annual Savings Are High

DDD systems pay for themselves. Basic to DDD systems is the automatic telephone exchange. Such an exchange, which does not need attendant operators, puts calls through without delays, and provides 24-hour service, seven days every week. On a $34,000 investment for an automatic exchange, one railroad realized $22,000 annual savings in operating expenses.

DDD permits centralization of various offices, such as those handling passenger reservations, diesel dispatching and car tracing. This offers additional savings to a railroad. Improved information availability via DDD makes such centralization economical and efficient. The NP, for example, has centralized diesel locomotive dispatching at one office in St. Paul, Minn. It once took the diesel dispatcher hours before he could get proper connections to the various chief dispatchers. Now, with intercity dialing, it takes only minutes to get the proper connections. There is no longer any backlog of calls, as was the case with manual telephone service utilizing operators.

How does DDD affect telephone usage? It goes up, but railroad mail and telegraph message traffic go down. A rule of thumb is that for every trunk circuit required for manual telephone service, four trunk circuits will be required when DDD is in service. Many roads find this ratio works out well in practice because, with intercity dialing, telephone calls are much shorter. No longer, with the priorities to wait for a long distance call, do people save up their questions. On one road, before installation of DDD, certain long distance calls averaged 30-45 minutes. Five or six people would talk on one call, which tied up the circuit. Now, with intercity dialing available to everyone, each person makes his own short call.

Phone Costs Less Than Mail

"When you are going to write a letter or send a telegram, use the telephone for economy—it costs less than your secretary's time," says A. E. Demattei, retired general superintendent of communications-system, Southern Pacific.

The following are among U.S. railroads having extensive DDD systems: Atlantic Coast Line, Delaware & Hudson, Denver & Rio Grande Western, Louisville & Nashville, Maine Central, Norfolk & Western, NP, Pittsburgh & Lake Erie, SP, and the Union Pacific.

Many other roads have begun DDD installations, or have made plans for such installations. Among them are: Chesapeake & Ohio, Chicago & North Western, Great Northern, Milwaukee, New York Central, Pennsylvania, Santa Fe, Seaboard Air Line, and the Southern.

Three basic methods are used by railroads to provide direct distance dial telephone systems:

- The railroad owns the telephones, circuits and the automatic exchanges.
- Railroad-owned circuits are used, but telephones and automatic exchange equipment are leased from commercial telephone companies.
- Commercial telephone companies provide the circuits, telephone exchange equipment and telephones.

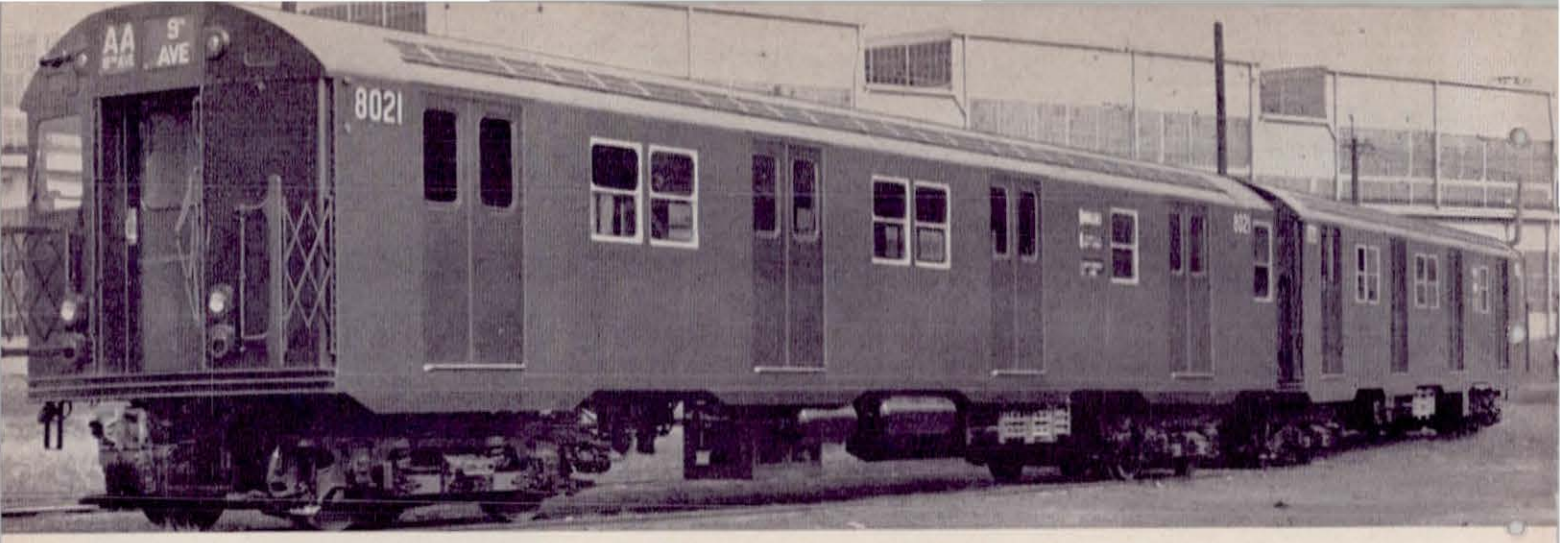
Railroads use these methods singly, or in a variety of combinations. The choice depends upon the type of service desired and/or the conditions existing on the railroad. Costs, of course, vary according to the method chosen.

OFFICERS ARE AVAILABLE anywhere on the railroad when direct distance dial systems are used.

There is a distinct trend toward increased railroad use of intercity dialing. The trend is given added impetus by the economical availability of telephone circuits on microwave systems.

Many railroads installing or planning microwave systems include circuits for DDD.

In today's competitive situation, railroads cannot afford not to have intercity dialing. Today's wages for operators, and, as some roads are finding out, the difficulty of obtaining trained operators, make automatic exchanges almost a must.



DOUBLE DOORS, four sets on each side, open fully in 1.4 s econds, speeding transfer of passengers.

New York Subway Gets New Cars

The first ten of an order for 550 new subway cars for the New York City Transit Authority are now in service on the BMT line.

The 81,000-lb cars were built by the St. Louis Car Co. Each is 60½ ft long and equipped with four sets of double doors on each side. All doors are adjusted so they may be operated from one point in the train and opened fully in 1.4 seconds.

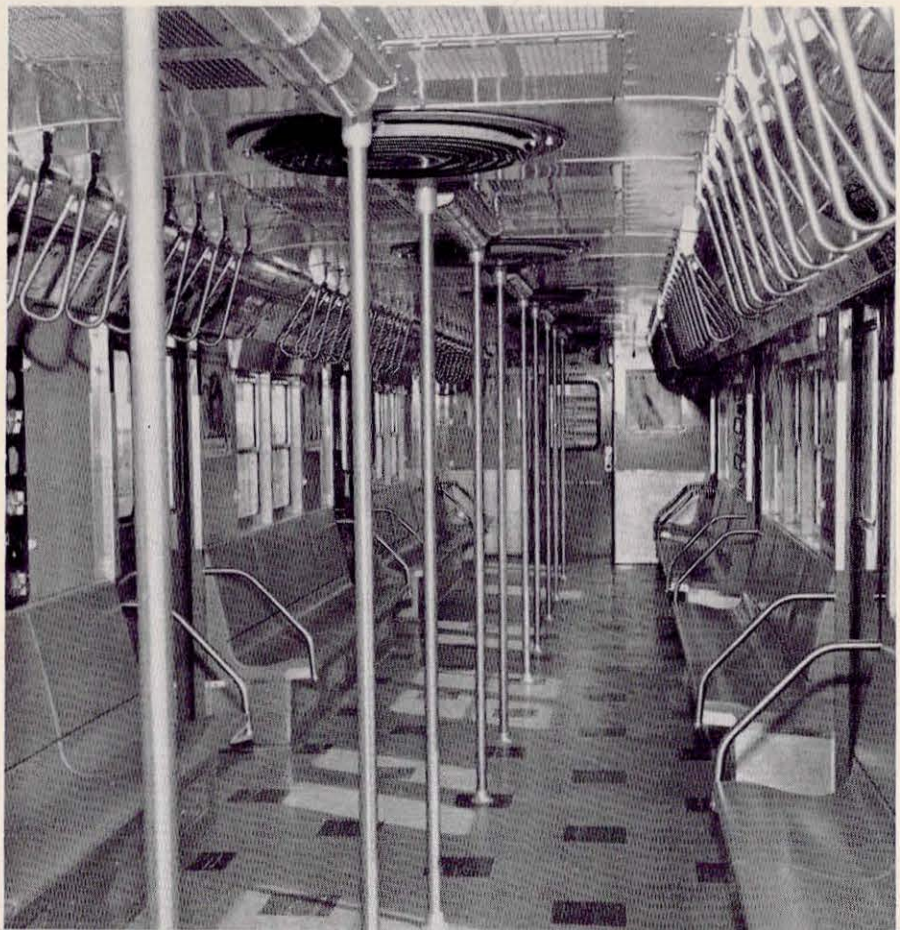
The cars were built to operate in pairs. One car in each pair will have batteries and motor-generator sets to power both cars' control circuits and low voltage lighting. The car without batteries carries an air compressor to provide air for both cars. Two diagonally opposite cabs are in each car. One is the motorman's cab containing control equipment. The other is the trainman's cab containing door controls, a switchboard and public address system controls.

The ventilation and heating system of each car includes six Axiflo thermostatically controlled ventilating fans, electrically operated dampers in the roof, and 13,400 watts of heating. When the car temperature is 65 deg or below, the fans operate at minimum speed. As the temperature rises above 65 deg, the fan speed automatically increases until the temperature reaches 86 deg, above which the fans will run at maximum speed. The dampers automatically open and close depending on whether the temperature is above or below 65 deg. Present cars have manually controlled dampers. Over 80% of the heating capacity is under the seats, with the remainder in the overhead circulating air space.

The car interior color scheme consists of gray, blue, off-white and silver. Porcelainized and baked enamel finishes cover the ceiling, wall panels and doors. The aluminum truss plate floors are finished with beige and coral vinyl asbestos tile. Seats and backs of seats are separate pieces of molded, coral-colored fiberglass reinforced by tubular steel frames. Each car has ten stainless steel stanchions, and 68 stainless steel-and-aluminum handholds suspended from the ceiling.

The public address system in each car has transistorized amplifiers. Announcements can be made throughout the train from any one of the microphone stations.

Motors and controls were furnished by the Westinghouse Electric Co. and the General Electric Co. Each car is powered by four 100-hp motors producing a top speed of 50 mph and an acceleration rate of 2.5 miles per hour per second, regardless of load. The cars are equipped with dynamic brakes and tread brakes.



CAR INTERIORS—in gray, blue, off-white and silver—have fiberglass seats, aluminum and stainless steel fixtures.

U.S. Passenger Agency Urged

By Dr. CHARLES E. STONIER

Associate Professor of Transportation Hofstra College

Can passenger services be saved? Much has been suggested by people who think they can.

Among the many prescriptions have been: improved public relations, modernization, hostesses, snacks, the continental touch and similar proposals for better service; family fares, credit cards, package tours and other methods to appeal to the pocketbook-conscious public; lightweight equipment, relocation of downtown terminals and other economy measures (apart from outright abandonments); and finally, subsidization, tax relief and de-regulation as the core of a legislative program for part if not all of the railroad industry.

Collectively, all of the above would make a substantial dent in the vast passenger deficit—if put into effect. Yet, while some innovations have been tried with limited success, there remains the widely held view that passenger operations cannot be prevented from drowning in red ink.

Whatever aid may come may be too little and too late. Yet there seems to be one major alternative left which may be worth exploring: consolidation of all passenger services into a single agency.

Consolidation has been a magic word in railroad circles in the past, and is again today. Differences of opinion among management, labor and the regulators have, however, so far prevented potential benefits from realization. More recently, some major consolidation proposals have been indicative of a renewed era of railroad combinations.

The case for enlarging the typical railroad system by means of consolidation is strengthened further by the fact that, although the traffic needs of the entire nation have increased, the supply of transportation in the form of more types of conveyances has also gone up.

This condition, combined with the advantage accorded other transport modes which receive public aid and promotion, has caused the demand for railroad service to shrink, more so than the physical plant of the railroads. Today, the economics of railroad operations, requiring volume traffic to maintain low unit costs, makes consolidations and coordinations essential. Need should override less substantial fears of bigness or monopoly.

But while the present revival of consolidation programs follows traditional patterns of combining existing corporate systems, the primary urgency relates to salvaging the passenger business. This is the operation that contains a sizable potential for effecting economies—and that lends itself especially well to "wholesale" consolidation.

Intramural railroad competition, vis-a-vis the automobile, bus and airplane, makes little sense and can only continue to inflate operational costs unnecessarily.

It would seem desirable, therefore, to investigate more closely and ultimately to adopt a plan whereby "United States" intercity passenger services (suburban lines excluded) would be cooperatively provided by all participating railroads.

Precedents for a similar approach already exist. Both the REA Express and the Pullman Company operate on a nation-wide basis. Either of these two companies, or a new organization, could become the operator of the consolidated passenger services and be controlled jointly by all railroads interested in sponsoring and promoting passenger train travel. Capital may be raised through stock subscription with a minimum quota established for each active railroad based on the average annual passenger mileage for the past five years or some other period. Additional stock could be purchased by the railroads or by the public at large.

The new organization would acquire those assets of existing railroads that are used exclusively for passenger train services. To permit the new carrier to develop as quickly as possible, railroads would receive no payment for use of trackage and other facilities that are also used for freight service (except when the railroad furnishes motive power).

Rentals could ultimately be paid on a contingent basis if earnings surpass a stipulated amount. Such an arrangement would make train operations more comparable to competitive passenger services which have few costs connected with the use of right-of-way.

A consolidation of this kind would seem to offer numerous cost and service benefits. Many duplicate terminal facilities, which account for major costs in passenger operations, could be abandoned. Others could be converted from stub ends to less elaborate stations. Unification of yards, maintenance shops, ticket agencies, sales promotion and timetables, are other areas in which costs could be significantly reduced. Equipment standardization could, in time, represent another saving.

Where there is at present more than one route in operation between two major points, only one would need to be operated as a main-line service.

Passengers would not have to transfer from one station to another. They could be given timetables that show all available schedules offered between any two points. They would have a much wider selection of return trip routes. Experimentation for attracting new or

Consolidation Talk Spreads

The question of consolidating all United States passenger services under a single passenger agency is getting more and more attention these days.

The recently released report of the transportation study of the Senate Committee on Interstate and Foreign Commerce, for example, examines at length the declining trends of rail passenger service since the 1920's and attempts to differentiate between the need for this service and the desire for it (RA, Jan. 9, 1961, p. 7). The transportation study concludes that there is little real need for passenger service in most of the United States, but that there is an indication of desire sufficient to justify investigation in depth to determine what cities could support rail passenger service redesigned to meet today's conditions. A possible approach, the study suggests, is along the line of a single rail passenger corporation operating on existing facilities over routes chosen by a competent market survey.

A recent correspondent of this magazine's Current Railroad Questions department raised a similar point (RA, Jan. 9, p. 33). He suggested a single organization to be known as the U.S. Passenger Railroad.

Without taking a position for or against such an organization, we present here a specific proposal for such an organization, as worked out by Hofstra College's associate professor of transportation.

former patronage could be conducted on a much more flexible basis, since rail service would then consist of one service rather than of many competing services.

There would, of course, be problems also. First, there may be considerable resistance by some railroad managements who do not wish to lose the identity of their trains. Brotherhoods may well feel threatened even though consolidation may be the only possible way of preserving—and perhaps increasing—passenger traffic.

Potential cost savings in past consolidation cases have failed to impress the ICC in comparison with other possible consequences; this attitude may still predominate. Municipalities normally resist service changes and abandonment of terminals. There may be operational difficulties when two separate managements want to use the same tracks.

Disposition of suburban operations would add to an already acute problem, for a consolidated U.S. passenger railroad, in order to have a chance to succeed, would have to be free from rush-hour service responsibilities. These would have to be dealt with *ad hoc*, in accordance with the needs of each metropolitan region and the willingness of each railroad concerned to accede to regional plans.

Notwithstanding these formidable obstacles, the magnitude of possible savings from a consolidated passenger railroad system should be a sufficient inducement for us to make a detailed study of the advantages—and then to work for enactment of such a system.

Savings from consolidation should be passed on to passengers in the form of lower rates. Ultimately, there is no reason why the railroad cannot reestablish its position as the least-cost carrier. To do this, consolidation should be supplemented by the following:

(1) Use of promotional devices, such as were mentioned earlier, and special incentive fares.

(2) Relocation of stations in accordance with population shifts—this means central suburban stops with adequate parking space, and generally improved coordination with motor transportation.

(3) Equal opportunity with respect to regulation, taxation and/or subsidization at *all* levels of government.

(4) Settlements with railroad labor for more realistic work rules.

Technologically, *i.e.*, in terms of motive power, fuel and labor needed to propel a given weight overland, the railroad is the cheapest mode of transportation. Consolidation alone should enhance the possibility of a fare of 2.0 cents per passenger mile, or less. This ought to be attractive—and salable—enough to keep passenger trains running.

It is high time (and this applies to freight also) that all institutional forces that have tended to vitiate the fundamental technical advantage of railroads be vigorously attacked in order to restore the railroad to its rightful competitive position. Consolidation of passenger service should prove to be an important step in this direction.

Railroading After Hours with Jim Lyne

MERGERS FOR JOB SECURITY—Douglas Dean of Michigan Center, Mich., wonders about RLEA's opposition to all railroad mergers, wherein they point out the 26% decrease railroad employment has already suffered. Mr. Dean goes on to note that, unless the railroads' financial and competitive strength improves, railroad jobs will keep on going down anyhow.

So the choice is not what RLEA seems to think it is—(a) mergers or (b) job stability by preventing mergers. Rather the choice is between (1) mergers which will strengthen railroads competitively and, in due course, bring either job stability or even increases, or (2) continuing job loss, with no respite in sight.

The brothers think they are going out for (b), but what they're really deciding in favor of is (2). So Mr. Dean believes. What do you think?

LOW MAN ON THE POLE—There was an air transport spokesman being interviewed on TV the other night about air travel hazards. He let the federal government have both barrels for its failure to spend more money for air safety installations. He went on something like this:

"Here's the federal government having spent $50 billion on highways and only $2 billion on air transportation. When is it going to loosen up and spend that $48 billion that it's holding back on us?"

This air fellow should have made his federal air comparisons with the railroads, just to find out how lucky he is. He's like the complainant who hollers because he's not as rich as Rockefeller, instead of being thankful he isn't as poor as the folks at the county farm.

PROF. vs. MANUFACTURER — Without mentioning each other's names, President J. F. Gordon, of General Motors, and Economist Ken Galbraith (of President Kennedy's entourage) do not seem to be seeing eye to eye. In his book "The Affluent Society" Professor G. plumps for fewer consumers' goods, wants for which are artificially stimulated.

He prefers to see more money taken in taxes and spent on such unmerchandised services as education. He also takes a few cracks at gawdy autos, and what he calls "built-in obsolescence."

President G., in a recent Detroit speech, referred to "hair-shirt philosophers" who prefer "public goods" to "personal goods." He thinks the American people can have both. The free enterprise system, in his belief, produces an abundance of material goods, such as autos, and simultaneously creates the purchasing power which finances the social goods as a by-product.

A timely argument, and I'd guess we'll hear more of it in the next four years.

'PICKETS' ORGANIZE—Those transportation economists who set themselves up as a side-show at the recent meeting of the American Economic Association in St. Louis (see this corner in RA of Dec. 19, p. 45) seem to have made out all right.

They managed to round up enough economists seriously interested in devoting more and deeper attention to transportation—to enable them to form a preliminary national organization.

John Ingram of the economic research department of the New York Central is secretary of the embryo society of transportation economists.

Illinois RRs Seek Tax Reforms

Tax equality and a streamlined regulatory procedure are the key aims of the Illinois Railroad Association's 1961 legislative program.

The tax program—in which the railroads are asking no more than the same treatment other property owners get—would be on a statewide basis. The proposed changes in regulatory procedure—mainly anti-delay measures—would apply only to regulation of mass transportation.

Under the present assessment setup, the railroads find themselves paying almost twice as much in taxes as other property owners pay per dollar of actual property value. Railroad property, the carriers contend, is assessed at the state level at 100% of value; all other real property is assessed at the county level at a statewide average of only 55% of value. The bill which the IRA will sponsor would provide that the assessed value of railroad property not exceed the proportion that the equalized assessed value of real property bears to fair cash value on a statewide basis.

Mass transportation legislation which the railroads are proposing would permit a carrier to make short-notice adjustments in service and fares without prior review by the state commerce commission. Main effect of the proposals would be to permit changes to go into effect without suspension and the usual delay which accompanies an investigation under present law.

One bill would permit a carrier to make service adjustments on 10-day notice; a second would permit fare changes on 30-day notice. In both cases, however, the Illinois Commerce Commission would have authority to make an investigation, on its own initiative or on complaint, and to issue an order in the case. IRA attorneys think their proposals would provide adequate protection for the public and at the same time relieve the carriers from maintaining uneconomical services or fares for months while an investigation is held.

Joseph H. Wright, chairman of the railroad association, said present regulation and taxation procedure is "unfair and must be corrected if the railroads are going to render service to the public in an efficient and economical way . . . It's unfair to expect the railroads to pay tax almost double that paid by the general taxpayer" on a per-dollar-of-actual-value basis.

Some support is already shaping up for the railroad proposals. A joint program recommended by four Chicago organizations, including the Association of Commerce and Industry, also favors the changes in regulatory procedure and calls for legislation "which would correct existing inequities in the tax structure with respect to suburban railroads . . . so as to fairly tax the suburban railroads on the same basis on which other industry is taxed. These measures do not involve a subsidy and are designed to prevent the necessity for one."

In almost the same breath, however, the Chicago area groups are supporting the Chicago Transit Authority's proposal to construct a rapid transit line in the median strip of the new Northwest Expressway—and the railroads are dead set against such a move. which would bring the publicly-supported CTA into competition with a privately-owned railroad (C&NW) which is spending $40 million to improve its suburban train service.

Dividends Declared

CAROLINA, CLINCHFIELD & OHIO.—$1.25, quarterly, paid Jan. 20 to holders of record Jan. 10.

CHESAPEAKE & OHIO.—common, $1, quarterly, payable March 20 to holders of record March 1; 3½% convertible preferred, 87½¢, quarterly, payable May 1 to holders of record April 7.

CINCINNATI INTER-TERMINAL.—4% preferred, $2, semiannual, payable Feb. 1 to holders of record Jan. 20.

CLEVELAND, CINCINNATI, CHICAGO & ST. LOUIS.—common, $5.60, semiannual; 5% preferred, $1.25, quarterly, both payable Jan. 31 to holders of record Jan. 20.

Downing Jenks Moving to MoPac

Rock Island President Downing B. Jenks will become president of the Missouri Pacific Feb. 1—and the man he succeeded in the Rock Island job five years ago, John D. Farrington, will step back into the RI presidency on an interim basis. At MoPac, Mr. Jenks will succeed Russell L. Dearmont, who joined the road as a district attorney and later served as counsel to trustee and vice president—general counsel before his election as president in 1957. Mr. Dearmont, 69, will now become chairman of the board, succeeding William G. Marbury. Mr. Marbury, chairman of Mississippi River Fuel Corp. (owner of about one-fourth of MoPac's outstanding Class A stock), will retain the chairmanship of the road's executive committee.

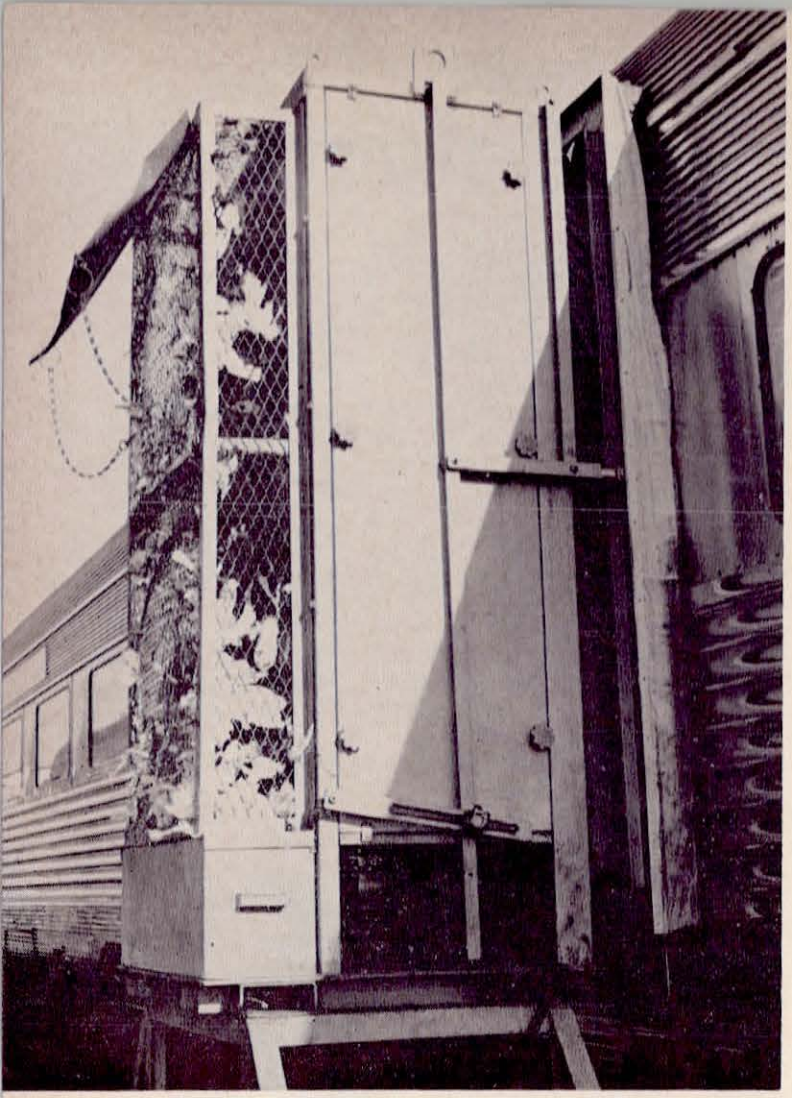
MoPac said Mr. Jenks, 45, "will be primarily concerned with the operation of the railroad and the maintenance of its property." Mr. Dearmont's primary concerns will be "the problems of the railroad industry, including membership on railroad association boards, corporate matters, including those relating to consolidation, legislation and public relations and other matters that may be referred to him by the board of directors."

Mr. Farrington, now 69, came to Rock Island in 1936. He steered the road through involved bankruptcy proceedings and was elected president of the new company in 1948.

Downing B. Jenks

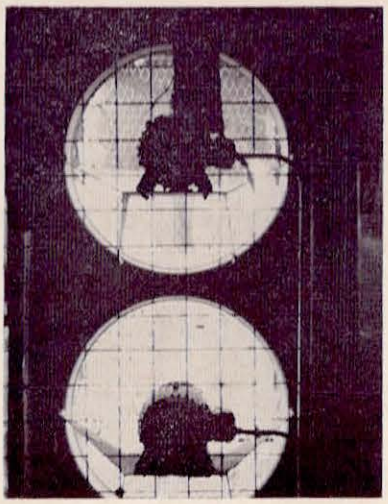
Russell L. Dearmont

J. D. Farrington



SUCTION from Windjammer unit placed against car door swishes refuse from car, cuts cleaning costs.

DIRT is dislodged by man with 80-psi air line. He works toward fan end of car. Method cleans carpets so effectively that washing periods are extended to one year.



FANS are powered by two 5-hp motors. Turning at 1,850 rpm, fans pull air through car at rate of 33,000 cfm.

How Santa Fe Jet-Cleans Cars

The Santa Fe is cleaning passenger cars in a fraction of the time previously required.

Three high-velocity air cleaners, called Windjammers, have been installed in the road's 21st Street coach yard at Chicago. Two of the cleaners are used for standard equipment, the third is for the high-level "El Capitan" coaches. For normal trip maintenance, a one-man operation, average cleaning time is 10-15 minutes.

Dust, dirt and refuse are literally air-borne through and out of the cars, pulled along by two 5-hp 24-in. fans turning at 1,850 rpm and delivering air at 33,000 cfm.

Cars are prepared for cleaning by folding back the leg rests, removing seat back covers and bulky heavy trash. Ash trays are not emptied, nor are seats and carpets hand-vacuumed. The housing holding the fan units is placed against the door entrance at one end of the car. The door at the other end of the car is open. A man with an 80-psi air line works toward the fan end of the car, dislodging all refuse into the induced air stream. Seats, carpets, radiator coils and luggage racks are cleaned to prevent accumulation of dirt and dust. The method cleans carpets so effectively that changeout washing time has been advanced from three months to a year. Air conditioning ducts are dropped and the cooling coils are cleaned once a year.

Cars are usually cleaned in pairs by placing the cleaner at one outside doorway entrance between the cars. How much cleaning is required is determined by car inspectors immediately after trains are moved to the coach yard. An extremely dirty car, designated by "G" on the work report, is worked on for an hour, generally by two men. Progressive cleaning is done on all three shifts at the yard.

The Windjammer has been used in the Santa Fe's San Bernardino, Cal., shops to clean cars before painting. In its initial use on one car, cleaning was done in two hours—it formerly had taken three days. Five cleaners have been installed at Argentine, Kan., and another five at Barstow, Cal., all for cleaning diesel locomotives.

Individual blowing of generators, motors, high-voltage cabinets has been eliminated. The Santa Fe found that method of cleaning only moved dirt from one place to another. By mounting the air cleaner at one doorway, one man loosens the dirt with an air hose, and the cleaner pulls air through the car body filters carrying refuse outside through the fan housing. The cleaner is also effective in removing spray solvent fumes when cleaning interior walls and ceiling. Heretofore, such cleaning has been an intermittent operation, because of the heavy fume concentration.

The air cleaner, a product of the Farr Company, was developed jointly with the Santa Fe.

MARKET OUTLOOK *at a glance*

Carloadings Rise 17.5% Above Previous Week's

Loadings of revenue freight in the week ended Jan. 14 totaled 516,210 cars, the Association of American Railroads announced on Jan. 19. This was an increase of 77,017 cars, or 17.5%, compared with the previous week; a decrease of 89,583 cars, or 14.8%, compared with the corresponding week last year; and a decrease of 70,132 cars, or 12.0%, compared with the equivalent 1959 week.

Loadings of revenue freight for the week ended Jan. 7 totaled 439,193 cars; the summary, compiled by the Car Service Division, AAR, follows:

REVENUE FREIGHT CARLOADINGS
For the week ended Saturday, Jan. 7

District	1961	1960	1959
Eastern	61,790	91,965	86,093
Allegheny	67,009	118,263	97,231
Pocahontas	37,940	52,650	46,652
Southern	93,786	112,810	107,025
Northwestern	48,776	59,982	62,613
Central Western	92,286	109,090	106,497
Southwestern	37,606	45,041	44,555
Total Western Districts	178,668	214,113	213,665
Total All Roads	439,193	589,801	550,666
Commodities:			
Grain and grain products	45,523	46,580	55,318
Livestock	3,167	4,501	4,930
Coal	89,920	118,297	113,131
Coke	4,818	11,648	8,815
Forest Products	28,235	37,171	33,901
Ore	10,013	23,148	16,583
Merchandise l.c.l.	23,830	35,034	37,940
Miscellaneous	233,687	313,422	280,048
Jan. 7	439,193	589,801	550,666
	1960	1959	1958
Dec. 31	406,346	483,857	468,219
Dec. 24	467,978	468,889	432,148
Dec. 17	486,059	615,333	571,147
Dec. 10	517,653	642,865	589,353

PIGGYBACK CARLOADINGS—U. S. piggyback loadings for the week ended Jan. 7 totaled 8,565 cars, compared with 8,135 for the corresponding 1960 week.

IN CANADA.—Carloadings for the ten-day period ended Dec. 31, 1960 totaled 67,583 cars, compared with 59,938 for the previous seven-day period, according to the Dominion Bureau of Statistics.

	Revenue Cars Loaded	Total Cars Rec'd from Connections
Totals for Canada		
Dec. 31, 1960	67,583	29,767
Dec. 31, 1959	79,287	33,248
Cumulative Totals		
Dec. 31, 1960	3,635,413	1,381,616
Dec. 31, 1959	3,854,893	1,412,073

New Equipment

FREIGHT-TRAIN CARS

► *December Bad Order Ratio 1.2% Higher Than 1959.*—Class I roads on Dec. 1, 1960, owned 1,664,435 freight cars, 23,497 less than a year ago, according to AAR report summarized below. Bad order ratio was 1.2% higher than on Dec. 1, 1959.

	Dec. 1, 1960	Dec. 1, 1959	Change
Car ownership	1,664,435	1,687,932	—23,497
Waiting repairs	152,429	135,121	+17,308
Repair ratio	9.2%	8.0%	+ 1.2%

FOREIGN

► *Burma Railways.*—Will use proceeds of a $14-million World Bank loan to import diesel locomotives, railcars, spare parts and workshop equipment.

► *Chilean State Railways.*—Has been granted a $30-million credit by the Export-Import Bank for the purchase of U.S. equipment and materials, including diesel locomotives, maintenance of way and shop machines, and signaling and communications equipment.

LOCOMOTIVES

► *Quebec Cartier Mining Co.*—Placed an order with Union Switch & Signal Construction Co. for CTC equipment for installation on 193-mile single track railroad between Lake Jeannine and Port Cartier, Que. The new facility will have a terminal yard and six passing sidings. Control will be from a TCC machine at Port Cartier.

Orders & Deliveries

► *Orders Decrease.*—Orders were placed in December 1960 for 2,705 new freight cars, compared with 3,680 in November. December 1959 orders totaled 10,555. Complete figures now indicate that total orders for new freight cars in 1960 amounted to 36,368, compared with 56,489 in 1959 (RA, Jan. 16, p. 82). Deliveries in December totaled 4,272, compared with 3,799 in November and 3,032 in December 1959. Complete figures bring the year's total deliveries to 57,047 compared with 37,819 in 1959. The backlog of cars on order and undelivered as of Jan 1, 1961, was 21,070, compared with 22,781 on Dec. 1 and 43,870 on Jan. 1, 1960.

Type	Ordered December 1960	Delivered December 1960	Undelivered Jan. 1, 1961
Box-Plain	1,800	1,291	4,519
Box-Auto	0	0	200
Flat	270	986	1,458
Gondola	50	97	4,250
Hopper	0	922	6,468
Cov. Hopper	317	182	1,002
Refrigerator	0	321	2,038
Tank	209	292	971
Caboose	0	25	9
Other	59	156	155
Total	2,705	4,272	21,070
Car Builders	1,465	2,642	6,857
Railroad Shops	1,240	1,630	14,213

R. Ellis Johnson
Rock Island

David R. Arnold
Rock Island

Wilbur C. Foster
T&P

Emil P. Kondra
Ellcon-National

People in the News

ASSOCIATION OF AMERICAN RAILROADS.—J. J. Kelley, vice chairman, Car Service Division, Washington, D.C., appointed manager—railroad relations section of that division, succeeding **Walter L. Harvey,** who retired Dec. 31.

BALTIMORE & OHIO.—William C. Baker, vice president in charge of operation and maintenance, Baltimore, Md., retires, effective Feb. 15.

Joseph E. Parker, division freight agent, Springfield, Ill., appointed district freight agent, Baltimore, succeeding the late **Arthur B. Calloway.**

BURLINGTON.— I. D. Sundberg promoted to general signal foreman, succeeding **B. J. Foley,** retired. **D. H. Thomsen,** signal supervisor, Alliance, Neb., promoted to assistant to chief signal engineer, Chicago, succeeding **P. H. Foley,** resigned. **R. W. Sanders,** assistant to superintendent of communications and signals, **Colorado & Southern,** promoted to assistant signal supervisor, Red Oak, Iowa, succeeding **William Schreiber,** promoted to signal supervisor, Alliance, Neb., succeeding Mr. Thomsen. **M. M. Shultz,** CTC maintainer, Alliance, succeeds Mr. Sanders.

W. B. Lyons, city freight agent, Denver, appointed general agent, Cheyenne, Wyo., to replace **J. P. McDermott,** retired.

F. G. Butcher, general agent, Seattle, Wash., appointed to the newly created position of general freight agent there. **L. G. McCubbin,** commercial agent, Tacoma, Wash., succeeds Mr. Butcher.

CHESAPEAKE & OHIO.—Charles N. Page, assistant freight traffic manager, Cincinnati, Ohio, named freight traffic manager there, succeeding **A. M. Glassmeyer,** retired. **Charles R. Sargent,** assistant freight traffic manager, Chicago, succeeds Mr. Page at Cincinnati. **William R. Rhodes,** general passenger agent, New York, named general passenger agent, Richmond, Va., assigned to administrative duties. **Frank E. Knotts,** traveling passenger agent, New York, appointed general eastern passenger agent there. **Robert R. King,** traveling passenger agent, New York, named district passenger agent there.

CHICAGO & EASTERN ILLINOIS.—S. J. Ives appointed manager, passenger traffic, and **H. O. Keys** named assistant manager, passenger traffic, both at Chicago.

CHICAGO PRODUCE TERMINAL.—Title of **R. W. Swartz,** terminal manager, changed to general manager.

DELAWARE & HUDSON.—C. L. Kingsbury appointed assistant supervisor of work equipment, Colonie, N.Y., succeeding **E. E. Norton,** retired.

DETROIT & MACKINAC.—J. G. Campbell, general superintendent, elected vice president and assistant general manager, Tawas City, Mich., and his former position abolished.

FORT WORTH & DENVER.—P. F. Thomas, superintendent, Joint Texas division, Teague, Tex., retired Dec. 31.

Jack Hoge appointed principal assistant engineer, Fort Worth, Tex., succeeding **W. C. Oest,** who retired Dec. 31.

L. G. Key appointed land and tax commissioner, Fort Worth, succeeding **H. E. Goodwin,** who retired Dec. 31.

FRISCO.—K. I. Dyche appointed general supervisor diesel maintenance, Springfield, Mo., succeeding **John Redyard,** who retired Jan. 1. **E. W. Rice** named diesel supervisor, Springfield, to replace **H. A. Slentz,** retired. **A. L. Crews** appointed diesel supervisor, Memphis, Tenn.

E. M. Peak, auditor-disbursements, appointed assistant controller. **C. P. Bell,** assistant to controller, named to succeed Mr. Peak, and in turn is replaced by **W. L. Cannady,** manager-accounting department training.

GEORGIA & FLORIDA.—T. B. Wren, assistant superintendent, appointed superintendent of transportation, Augusta, Ga.

LOUISVILLE & NASHVILLE.—William C. Brafford appointed assistant to general attorney. **Romano L. Mazzoli** named attorney.

Marion V. Healy appointed supervisor of loss and damage prevention, Evansville division, to succeed **L. A. Lay,** retired.

MILWAUKEE.—Albert M. Schirp, assistant manager of the reservation bureau, Chicago, named reservation bureau manager there, succeeding **Walter A. Keller,** retired (RA, Jan. 9, p. 34).

MISSOURI-KANSAS-TEXAS.—William J. Durfee, sales representative, Houston, appointed sales manager, Galveston, Tex., succeeding **J. W. Stechmann.**

MISSOURI PACIFIC.—The following retire Jan. 31: **Roy P. Hart,** vice president, St. Louis; **Albert M. Latz,** assistant to general manager, Little Rock, Ark.; **Walter E. Babel** and **Francis E. Pennington,** executive general agents, San Antonio, Tex., and Kansas City, Mo., respectively; **Enoch Y. Butler,** general agent, Portland, Ore.; **Alfred R. Fox,** general agent passenger department, Austin, Tex.; **William B. Cook,** agricultural agent, Houston, Tex.; **James H. Dwyer,** division freight and passenger agent, Helena, Ark.; **John A. Fetz,** assistant traffic manager, Memphis, Tenn.; **Charles L. Shortridge,** assistant passenger traffic manager, Houston; **William F. Rambo,** division engineer, Monroe, La.

NEW HAVEN.—James P. Shea, commercial agent, New York, appointed division freight agent, New Haven, succeeding **Elmer C. Simmons,** retired.

NEW YORK CENTRAL.—Harry A. Klester, fuel engineer, appointed manager, fuel market analysis, New York.

P. H. Myers, assistant transportation superintendent—labor relations, Buffalo, N.Y., appointed terminal superintendent, Frontier Yard, Buffalo.

Benjamin J. Gordon, assistant district engineer, Eastern district, Syracuse, N.Y., appointed district engineer, New York district, succeeding the late **James D. Fraser.**

Territory between Gibson, Ind., and Danville, Ill., formerly assigned to the road's Western division, with headquarters at Chicago, transferred to the Indiana division, with headquarters at Indianapolis.

R. L. Martin and **L. W. Brennan** appointed general supervisors locomotive maintenance, New York.

John B. Hitchcock, manager of sales analysis, appointed director of service planning and performance. **Roger P. Chaufournier,** supervisor of special car utilization, named director of equipment planning and utilization. **Laurice B. McMillen,** manager of equipment services, and **Howard G. Wolven,** super-

SALES ENGINEERS

RAILROAD PRODUCTS DIVISION

Servo Corporation of America has several select field openings for personnel who have engineering education with successful sales management experience in the sale of electronic equipment and systems to railroads. Emphasis should be on the practical aspects of engineering rather than theoretical.

Please submit resume in confidence outlining salary and experience background to: Mr. Harvey Marriner

SERVO CORPORATION OF AMERICA
111 New South Rd
Hicksville, L.I., N.Y.

visor of special car bureau, named assistant directors of equipment planning and utilization.

NORFOLK & WESTERN.—**Thomas L. Davis,** assistant freight traffic manager, Chicago, transferred to New York. **Norman C. Elliott,** assistant general eastern freight agent, promoted to general eastern freight agent, New York. **Harry G. Maseker,** district freight agent, New York, succeeds Mr. Elliott. **Charles I. Britts,** foreign freight agent, Norfolk, Va., named general foreign freight agent, New York. **J. Wayne Russell,** general agent, Pittsburgh, Pa., named assistant freight traffic manager, Chicago. **Douglass L. Agree,** commercial agent, Chicago, appointed district freight agent there. **John J. Canary,** traveling freight agent, Bristol, Tenn., appointed district freight agent, Jacksonville, Fla. **Carl B. Miller,** general agent, Atlanta, transferred to Pittsburgh. **S. Boyd Potter, William T. Cooper, Herbert R. Denius** and **Frank R. Broaddus,** commercial agents at Jacksonville, Atlanta, Louisville, Ky., and Chicago, respectively, named general agents at Charlotte, N.C., Atlanta, Indianapolis, Ind., and Minneapolis, Minn., respectively.

NORFOLK SOUTHERN.—**E. J. Hastings,** general agent, Boston, Mass., retires Jan. 31 and that office will be closed. All matters heretofore handled by Mr. Hastings will be handled by the NS's New York office at 30 Church Street, under **A. A. Marcus,** eastern freight agent.

PENNSYLVANIA.—**James L. Cranwell,** vice president, New York, retired Jan. 1 for reasons of health.

J. C. McMichael, appointed manager, freight rates, Philadelphia, Pa., succeeding **W. S. Thomas,** retired, **C. S. Van Gunten,** manager, freight rates, Philadelphia, named manager, freight rate service, Chicago, succeeding **K. G. Crowl,** assigned to the Traffic Executive Association, Commercial Research, New York. **R. B. Wright** and **T. E. Sellinger** appointed managers, freight rates, Philadelphia. Mr. Wright was formerly manager of freight sales and service and Mr. Sellinger was manager, rate bureau, both at Philadelphia.

PITTSBURGH & WEST VIRGINIA.—**Charles J. Graham,** chairman of the executive committee, Pittsburgh, Pa., retired Jan. 1.

ROCK ISLAND.—Effective Feb. 1, **R. Ellis Johnson,** vice president—operations, elected to the newly created position of executive vice president and a member of the board of directors.

David R. Arnold, general auditor, named vice president—general auditor, effective Feb. 1.

SEABOARD.—**J. C. Parrish** appointed assistant to manager TOFC Traffic, Richmond, Va.

SOO LINE.—**Arthur G. Greenseth,** vice president of the former Duluth, South Shore & Atlantic, retired.

R. A. Brachlow appointed assistant to vice president—accounting. **R. J. Flannery** and **E. F. Nord** named general accountants. The following appointments announced: **J. R. Koch,** auditor freight accounts; **H. E. Lundberg,** auditor passenger and station accounts; **P. G. Anderson,** auditor of disbursements; **G. A. Ehlers,** auditor of pay rolls; **A. G. Nelson,** auditor of car accounts.

TEXAS & PACIFIC.—**Wilbur C. Foster,** general superintendent transportation, elected vice president-operation, effective Feb. 1, to succeed **L. C. Porter,** retiring.

Supply Trade

Emil P. Kondra has been appointed assistant to the president of **Ellcon-National, Inc.,** 30 Church Street, New York. Mr. Kondra also will retain the title of vice president in charge of sales. Ellcon-National has appointed **Edwin T. Richards, Richards Railway Equipment Co.,** Tulsa, Okla., as its Southwestern representative.

Fletcher L. Byrom has been elected president of **Koppers Co. Fred C. Foy,** who has been chairman and president, will continue to serve as chief executive officer. Mr. Byrom, who was formerly vice president and general manager, Tar Products Division, will be chief administrative officer.

Howard B. Bittner has been appointed manager, system sales, industrial products division, **Automatic Electric Sales Co.,** Northlake, Ill. **Chester I. Wright** has been named to succeed Mr. Bittner as assistant manager, government sales division.

Railway Service and Supply Corp., Indianapolis, has established national sales offices in the Railway Exchange Building, 80 East Jackson Blvd., Chicago 4, Ill. Named to direct national sales operations is **F. B. Harrison, Jr.,** vice president, who also heads Harrison Railroad Supply Co. **Thomas W. Timmis,** assistant vice president, will continue to represent the corporation in the Midwest.

A group of Pittsburgh businessmen, headed by **Bernard C. Sabel** and **Clarence Abitz,** has purchased the controlling interest in **Union Spring & Manufacturing Co.,** New Kensington, Pa. Mr. Abitz has been elected president, Mr. Sabel and **John S. Moeller,** vice presidents. **William S. McCabe** is now president-emeritus and member of the Advisory Committee to the board of directors. **Leo Duffy,** former vice president of Youngstown Steel Door Co., will act as director of sales.

Donald E. Thal has been appointed general manager of the newly established International Division of **Link-Belt Co.** at Chicago. Mr. Thal was formerly general manager, Pacific Central division, San Francisco.

Joseph T. Bailey has been appointed manager, Locomotive Section, the **General Electric Locomotive & Car Equipment Department,** Erie, Pa. **Frank A. Compton, Jr.,** has been named to the newly created post of manager of locomotive engineering. **W. Speicher** has been named manager of the Locomotive engine subsection, succeeding the late **J. C. Rhoads.**

Charles A. Benz, general sales manager, **Chicago Malleable Castings Company,** has retired. **Frank K. Veasman** has been appointed manager of railroad division, and **Thomas J. Kemble,** assistant manager of railroad division. **Howard M. Kirkby** named director of marketing.

E. A. Walcher, Jr., vice president-manufacturing, **Transportation Equipment Division, American Steel Foundries,** has been promoted to a new position with responsibility for coordination of research, product engineering, manufacturing and sales activities. **R. O. Tibbals,** works manager of the Granite City, Ill. plant, appointed vice president-manufacturing of the division and will direct operations of the Granite City and Alliance, Ohio plants. Mr. Tibbals' successor is **A. P. Steinhauser,** assistant works manager, Granite City.

Max K. Ruppert has been elected chairman of the board of **MobilWeld, Inc. Earle F. Cox** elected president; **C. Richard Sherer,** vice president; **A. J. Frystak,** secretary, and **R. E. Mitchell,** treasurer.

Chicago Railway Equipment Co. and **Superior Car Door Co.** have moved their Chicago sales offices from 332 South Michigan Ave. to the General Offices, 1928 West 46th Street, Chicago 9.

Henry J. Nord has been elected comptroller of **General American Transportation Corp.,** succeeding **Arthur A. Selonke,** retired.

A. L. Fridley has been appointed district sales manager, **Unit Rail Anchor Corp., Unit Rail Anchor Division-Hubbard Tool Division,** Chicago.

OBITUARY

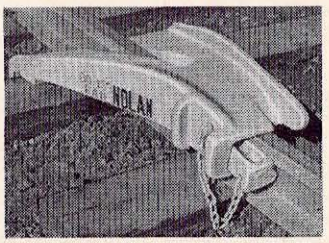
Max V. Dolan, 54, general superintendent of dining and sleeping cars, **Rock Island,** Chicago, died recently at Los Angeles.

Charles A. Liddle, 83, a former president of **Pullman-Standard Car Manufacturing Co.,** and chairman (1939-49), Executive Committee, Railway Business Association (predecessor of **Railway Progress Institute**) died early this month in Chicago.

H. C. Sampson, 70, superintendent signals, **Gulf, Mobile & Ohio,** Bloomington, Ill., died Jan. 3.

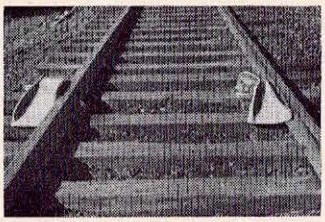
Albert M. Zabriskie, 78, who retired in 1948 as chief engineer of the **Jersey Central,** died recently.

TWO NOLAN RE-RAILERS
with outstanding service features!



Nolan Model DW Rerailer

Model DW Rerailer for heavy-duty service. Will engage wheels at a greater distance from rails than any other type. A proven rerailer for diesel locomotives.



Nolan Model SW Rerailer

Model SW Rerailer for general use on diesel locomotives, freight and passenger cars of all types. Light weight; easily placed.

Write for Complete Catalog

THE NOLAN COMPANY
160 Pennsylvania St., Bowerston, Ohio

'Bury Intermodal Differences'

► **The Story at a Glance: As the new Administration prepared to take office last week, 600 leaders of the transportation industry gathered in Chicago at TAA's annual National Transportation Institute to investigate—and seek workable solutions to—immediate and long-range problems facing the nation's common carriers. The dual threat of government ownership and increasing competition from private carriage was held to be sufficient cause to "bury intermodal differences" and provide a transportation service that will "make private carriage completely unprofitable and unattractive to shippers." Panelists urged concerted, industry-wide efforts rather than unilateral attempts to reformulate the role of government in regulation.**

Government ownership of railroads "must be avoided at all costs" or it will inevitably be followed by nationalization of other carriers and other industries.

This warning was sounded by James F. Oates, Jr., chairman and president of the Equitable Life Assurance Society of the United States, in an address before the National Transportation Institute in Chicago last week. Mr. Oates said it is impossible for common carriers to live "with increased labor, tax and material costs" while being subjected to "severe rate regulatory control" and being required to compete with subsidized and unregulated transportation agencies.

Merger is the "only one ready solution in the East," according to Mr. Oates, but he believes that railroads in the South and the West "could perhaps live longer in their present corporate status."

He said the absence of a basic overall transportation policy has been tolerated "almost to the point of ruining privately operated [common carrier] transportation." And he blamed all interested groups for the current ills besetting the industry.

Mr. Oates called on all interests to "give up their pet prerogatives for the long-term good of transportation." He specifically called on "labor, government and management" to cooperate to "eliminate uneconomic make-work labor rules which are disastrous to earnings and will eventually destroy and not save jobs."

Richard M. Boyd, president, National Industrial Traffic League and General Traffic Manager, Pittsburgh Plate Glass Co. told the TAA-sponsored institute that a government-owned common carrier system could not meet the needs of industry and would only lead to increased use of private carriage.

Mr. Boyd said that present regulatory concepts are forcing some shippers into the transportation business and that many suggested reforms "fail to get at the hard core—how much regulation is necessary to protect the public interest."

He said that "effective transportation offered by a prosperous free enterprise common carrier system" is needed to meet the needs of our economy and that this requires attractive transportation "from the standpoint of cost and service" and "a change in the regulatory climate to afford more freedom in individual carrier operation."

Calling for "coordination at policy level," D. W. Rentzel, president, Auto Transports, Inc., said there is a need for equal government regulation and promotion of the various modes of transport "tailored to the stage of development and in relation to its particular role in the national interest."

Mr. Rentzel declared that the main role of government in promoting a healthy transportation system is the "development and adoption of a uniform transportation plan at the earliest possible date and the vigorous implementation of such a plan."

Frank L. Barton, special counsel, Senate Interstate and Foreign Commerce Committee, discussed government's role in regulation. Mr. Barton advised each mode of common carrier to "be prepared to be pinched in the common good of the whole common carrier industry" since "changes in our transport regulatory laws can no longer be considered individually and thus perhaps selfishly by each mode. Common carriers must either hang together or hang separately."

Faced with increased use of private carriage and the dangers of government ownership "common carriers have a powerful stimulus for group action in helping re-formulate the Federal regulatory role," said Mr. Barton. Such concerted effort will "encourage the establishment of common carrier rates low enough to convince shippers that legitimate private carriage is too expensive, yet high enough to permit the more progressive common carriers to earn a reasonable profit."

A highlight of the National Transportation Institute was presentation of the 1960 TAA Seley Awards to E. F. Hamm, Jr., publisher of Traffic World, for distinguished service to transportation. The Seley Awards include a transportation scholarship which was donated to Dartmouth College at Mr. Hamm's direction.

As the Publisher Sees It

The Road to Good Eating?

Wouldn't it be nice to board a crack passenger train and find one of the country's leading restaurateurs catering to you at mealtime? That's just what happens in Japan. Of the 18 Limited Expresses, or Blue Ribbon trains, operated by the Japanese National Railways, dining services on eight are the proud responsibility of two leading hotels. On four, Tokyo's Imperial Hotel takes care of the service. Four others are handled by Kyoto's Hotel Miyako. Besides the dining service these companies take care of "basket service" and the vending of foodstuffs through the trains.

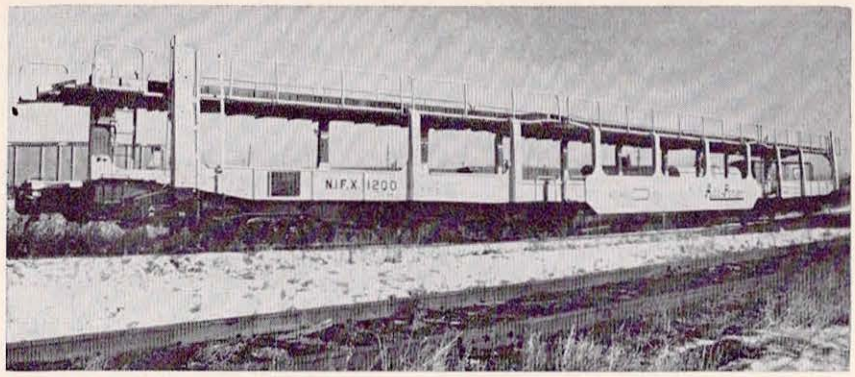
Naturally these companies go all out to provide superior service and thus enhance their reputations and build prestige.

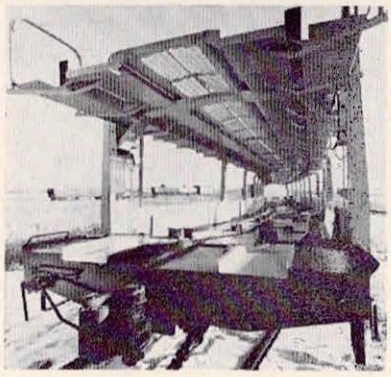
JNR provides the cars, kitchen facilities and furniture. Linens and silverware are provided by the hotels. Personnel are exclusively those of the concessionaires.

The railway collects as a fee 3½ per cent of the dining car receipts and 2½ per cent of the coach service proceeds.

I don't know if some variation on this theme would be workable in the U.S. I suspect, if anybody wanted to badly enough, it could be worked out. Anyhow, I'd sure like to wake up on my favorite Chicago train some morning and go to the dining car for a wonderful breakfast by, for example, Chicago's Henrici's.

Robert S. Lewis





Auto-Porter Takes Curves in Stride

U. S. railroad officers have been given a look at the German approach to hauling automobiles on flat cars —the Auto-Porter, a 119-ft 2-in. car, articulated at two points and equipped with a bi-level auto rack. Articulation minimizes side clearance problems; floor height of 28-in. above top of rail enables the car to move its load of 16 compact cars without overhead clearance difficulties. More than 1,000 such cars (built by Joseph Graaff Company of Elze, West Germany) have gone into service on European railroads during the past six years. North American Car put the unit on display in Chicago, through the cooperation of the Auto-Porter's American import agent, B & W Enterprises, Inc., of New York. E. C. R. Lasher, president of North American, said the showing was arranged "because it is our policy to give railroads and shippers the opportunity to examine the most modern and sophisticated technology in transportation. With the tremendous upsurge of rail shipment of automobiles, we felt that the potentialities of such a car should be examined closely."

IKE URGES TRANSPORT DEPARTMENT (*Continued from page 9*)

all federal regulatory bodies should be clarified."

ICC Chairman Hutchinson had no comment on this proposal at a press conference which he held to discuss the appropriation which the budget proposed for Commission operations during the next fiscal year beginning July 1. The proposed appropriation is $22,200,000, an increase of $748,500 above the $21,451,500 which the Commission has received for the current fiscal year.

Chairman Hutchinson came into that position Jan 1 under the Commission's plan of rotating its chairmanship annually among its members. As to the idea of having the President appoint its chairman, the Commission has expressed opposition views which have not been formally modified. This Commission position was set out in 1950 in a letter to the chairman of the Senate's Interstate Commerce Committee. The letter said in part:

"On the whole it has been found best from our standpoint to fill the chairmanship by rotation for a one-year term . . . We do not believe there is any particular magic in the title of 'chairman.' We assign to our chairman general duties of presiding and coordinating which any commissioner can perform in addition to his other duties. In this way a more detailed supervision and guidance of particular bureaus is left for longer periods with an individual commissioner and all of the general work involved—budget, personnel, carrying out policies through service, and the like—is carried by a permanent and experienced administrative official with the title of 'secretary of the commission'."

Presidential power to appoint the ICC chairman is also a recommendation of the so-called Landis report. That's the report on regulatory agencies which was made to President Kennedy by James M. Landis, who will be head of a new White House office for the oversight of regulatory agencies (RA, Jan. 2, p. 8).

President Eisenhower's budget proposal as to aviation fuel is that the tax on aviation gasoline be increased from 2 cents per gallon to 4½ cents, and that an equivalent tax be levied on jet fuels which are now untaxed. The air lines "should be assured that these tax increases may be reflected promptly in fare adjustments," Mr. Eisenhower said.

Costs of operating and improving the federal airways system, excluding airport grants and weather and other indirect services, are now approaching $600 million a year, Mr. Eisenhower said. He also discussed subsidies to local-service air lines which "currently average about $12 per passenger-trip." Mr. Eisenhower added:

"The dependence of these local-service carriers on the federal government should be reduced. Toward this end positive action is needed from both the Civil Aeronautics Board and the Congress. The board should discontinue the least essential routes and stops in accordance with its use-it-or-lose-it policy, and should also develop other means of limiting federal support. The Congress should review the basic promotional policy of the Federal Aviation Act, giving special attention to the question of whether the national interest justifies continuing substantial federal payments to sustain deficit operations for service to points with very limited traffic."

As to domestic trunk air lines, Mr. Eisenhower noted that they now operate more passenger-miles than any other common carriers. The message added: "In view of this evidence of the industry's growing maturity, the Congress should enact legislation to make trunk lines ineligible for subsidies after a period of subsidy-free operations."

As to the federal tax on fuel used by highway vehicles, Mr. Eisenhower recommended that it be increased one-half cent per gallon—to 4½ cents; "and that the rate should be continued at this level through 1972 instead of reverting to 3 cents on July 1, as provided by present law."

In his discussion of the federal tax system, Mr. Eisenhower said there is need for review of present depreciation allowances and procedures. He added, however, that the depreciation rules should not be liberalized without accompanying legislation to treat income on disposition of depreciable property as ordinary income to the extent of the depreciation deductions previously taken on the property.

You Ought To Know...

Railroads scheduled 75 special train movements into Washington, D. C., to help handle the throngs arriving for President Kennedy's inauguration. Arrangements were made for "Pullman Cities" to handle the overflow from hotels.

Big trucks don't pay their share of highway costs, according to the Bureau of Public Roads' report on the highway cost allocation study called for by the 1956 Highway Revenue Act. "For the heavier weight groups, and particularly for the tractor-semi trailer combinations, the payments are rather definitely on the low side in comparison with the requirements," the report says. American Trucking Associations promptly assailed the report as "woefully inadequate and incomplete."

Suburban service ended up barely in the black when Illinois Central closed its books on 1960. Faced with a continuing decline in patronage, the road combined rigid economies with judicious use of promotional features to bring in a "profit" of about $100,000—less than ¼ of 1% return on $42 million worth of property used solely in suburban service. At the same time, C&NW's suburban service was flirting with the break-even point, and indications are that Burlington, Rock Island, and Milwaukee will show deficits ranging up to about $1,500,000 for 1960.

More specialized equipment and faster freight-train schedules are keystones of a new business-building program announced last week by New York Central. A. E. Baylis, vice president—marketing, said the program is one of the first steps taken by NYC's new marketing department. He noted that in recent years the road's special cars have increased from less than 2% to approximately 10% of its total freight-car fleet.

Coordinating the use "of all forms of line haul carriage through a national small shipments network under single management" has been cited as a basic principle of REA Express by President William B. Johnson. Mr. Johnson said that "the objective of this coordination is the use of each transport medium where, and only where, it does the best job for the public . . ." As for LCL, Mr. Johnson could not see "either need or logic for shipper routing of traffic weighing less than 10,000 lb, nor for continuance of the costly process of detailed interline accounting." But he added that "officials of some of the Express Company's major stockholding railroads seem convinced that they are now profiting from LCL freight and that it should be retained as a service separate and distinct from surface express."

Railroad passenger men must "continue to use every bit of imagination we can muster to slow down the attrition of passenger business," Claude E. Peterson, Southern Pacific's vice president system passenger traffic—public relations, told American University's 15th Institute on Railroad Management in Washington, D. C. He said railroads must realize they can't compete with airlines for speed, or private autos for convenience. Instead, he said, they should concentrate on "the leisure factor . . . and in the case of coach service on the economy factor."

Five more hotbox detectors will be installed by the Louisville & Nashville at a cost of $170,000. All will be installed on lines in Kentucky: Louisville to Cincinnati—two; Cincinnati to Corbin—two; and Ravenna to Beattyville—one. Previous hotbox detector installations included six on the Nashville, Tenn.-Montgomery, Ala. line, and one at Paris, Ky.

Issuing of passes to other railroads by Canadian National and the Canadian Pacific will end Feb. 1 as one step in eliminating the $15-million annual cost of hauling non-employees free. Only Canadian federal and provincial legislators and certain government officers will continue to receive CN and CPR passes.

A 26-hour strike by the TWU against the Philadelphia Transportation Co. (RA, Jan. 16, p. 116) ended with agreement on a two-year contract which, the company said, will cost $6,700,000 in the next two years and necessitate a fare increase. The contract calls for a 30-cent hourly package increase and includes a "no-layoff" provision.

Continued operation of steam-powered excursions on the Burlington is assured by CB&Q's announced plan to spend thousands of dollars to keep its last two steam locomotives, 4960 and 5632, in safe running condition for some time to come.

Preparing to move in May to a new 17-story headquarters building adjacent to Montreal's Central Station, the Canadian National has sold the two McGill street buildings now occupied by its general offices to the Province of Quebec. CN head office staff from 20 different locations throughout Montreal will be consolidated in the headquarters building, a structure with 470,000 sq ft of office space and parking for 800 automobiles.

'Murder' at Crossings

The death of six men—including the engineer and fireman—in the collision of an Illinois Central passenger train and a gasoline truck at a Mississippi grade crossing last week brought a new plea for an investigation of such accidents. BLE Grand Chief Roy E. Davidson sent telegrams to top railroad officers declaring that this and similar accidents "all underscore the failure of the ICC to grant the petition of the operating brotherhoods for a general investigation of these accidents. We appreciate your support of our previous move and hope you will now support further action to prevail upon the ICC to stop this murder at grade crossings." A similar request came from BLF&E President H. E. Gilbert. The brotherhoods were turned down in their original petition for an investigation, but a request for a reconsideration is pending.

A Guide to Your Financial Success

INVESTMENTS

Principles, Practices and Analysis

by **DOUGLAS H. BELLEMORE**

Professor of Finance,
New York University.

An exhaustive treatment, just published of basic investment principles and current practices designed to provide the investor with authoritative and time-tested guidance in formulating sound individual or institutional investment policy. Several chapters are devoted to the important problem of how to analyze the worth of an individual security. An entire chapter is devoted to *the analysis of railroad securities.* Clearly written, scores of charts and tables, 898 pp., 6 x 9, cloth bound. $10.00.

Simmons-Boardman Books, Dept. R.A. 1-23
30 Church St., New York 7, N. Y.

Send a copy of Bellemore's INVESTMENTS, for which I enclose $10.00 (we pay postage if remittance accompanies order).

Name .....

Street .....

City ..... State .....

Advertisers' Index

Aeroquip Corporation	IFC
Central Rent-A-Crane, Inc.	37
Gandy Wagon Corporation, The	6
Hunt, Robert W.	37
Iron & Steel Products, Inc.	37
Kerite Co., Inc., The	IBC
Nolan Company, The	33
Pullman-Standard (Div. of Pullman, Inc.)	22, 23
Railway Maintenance Corp.	4
Servo Corporation of America	32
Teletype Corp., Div. of Western Electric	12, 13
Trailer Train Co.	20, 21
Waugh Equipment Co.	3
Weiss Co., B. M.	37
Whiting Corp.	8
Wichita Clutch Co., Inc.	BC

CLASSIFIED ADVERTISEMENTS

FOR SALE
railway equipment
Used—As Is—Reconditioned

ALL-STEEL AIR DUMP CARS
(Drop-Door Type)
30 Cu. Yd.—50-Ton Capacity
5-Magor . . . 2-Clark

Diesel-Electric Locomotives—Various Sizes
Crane, Burro—5½-Ton
Specifications and Prices Upon Request

Service-Tested
Freight Car Repair Parts
For All Types of Cars

Railway Tank Cars and Storage Tanks
6,000- 8,000- and 10,000-gallon
Cleaned and Tested

IRON & STEEL PRODUCTS, INC.
"ANYTHING containing IRON or STEEL"

General 13486 So. Brainard Ave.
Office Chicago 33, Illinois
Phone: Mitchell 6-1212

Room 1608, 51C East 42nd St
New York New York 17, New York
Office Phone: YUkon 6-4766

SALE OR RENT

45 & 65 Ton D. E. Locomotives
6700 CFM Sullivan Syn. Motor Compressor, 1250 H.P., 4160 V.

B. M. WEISS COMPANY
Girard Trust Bldg.
Philadelphia 2, Pa.

Robert W. Hunt Company
ENGINEERS
Inspection—Tests—Consultation
All Railway Equipment
General Offices:
810 S. Clinton Street
CHICAGO 7
All Principal Cities

Car Foreman

Required for well established Car Shop in Chicago area. Excellent opportunity for right man. Furnish full record of experience with application. All applications held confidential. Box 948 Railway Age, 30 Church Street, New York 7, N. Y.

KEEP BUYING U.S. BONDS

RENT with OPTION

AMERICAN
508 CD-1955
50 ton-65 ft. boom
LOCOMOTIVE CRANE
New Machine Guarantee
Brokers Protected

Central Rent-A-Crane, Inc.
East Chicago, Indiana

WANTED: RAILROAD JOURNALIST

Journalist knowledgeable with railroads, preferably on an international scale. Editorial make-up experience essential plus writing ability. Willing to relocate in Western Europe. Salary commensurate with experience. Resume please. Reply will be held in strict confidence to Box 946, Railway Age, 30 Church St., New York 7, N.Y.

DATA SHEETS

A 32 page booklet, "Meters and Test Equipment" covers such subjects as Basic Meter Movements, Ammeters, Voltmeters, Insulation Testers, Decibel Measurements, Oscilloscopes, and the West Test Set. A brief test of the material covered is included. The booklet is designed to give the signal and communications maintainer or helper valuable information on his most important tool—his test equipment. Available at 50 cents each from

Railway Signaling and Communications
Dept. RA, 30 Church Street, New York 7, N. Y.

Unions and 'Security'

Nobody can find much fault with railroad employees for seeking, through their unions, all the economic "security" they can get. So-called security seems to be one of the principal objectives of almost everybody nowadays, bosses no less than people in the ranks. Those who do not have this highly valued prize are, mostly, those who haven't been able to get it—not because they don't want it.

The question railroad employees, and their unions, need to look into is whether the kind of security they believe they have won for themselves is the real article—or only a glittering counterfeit.

In his painstaking comparison of railroad costs with those of inland water carriers and truck lines President H. C. Murphy of the Burlington (RA, June 27, 1960), showed that railroad's payroll taxes in freight service as just under 3% of freight revenue. The truck and barge lines' payroll taxes were just about one-third as much in relation to freight revenue, as were the railroad's.

This is just one of a half-dozen situations wherein railroads are being subjected to discriminatory treatment at the hands of government —that is, areas where railroads are arbitrarily required to assume expenses that rival forms of transportation either escape entirely, or are allowed to get away with only a fraction of the exactions laid on the railroads. In the case of the Burlington, these extra imposts (i.e., excess over those paid by truck and barge lines) added up to $51,000,000, or 24% of total freight revenue.

In other words, if the Burlington paid payroll taxes and other exactions on the same basis as truck and barge carriers do, it could have reduced its average freight rates by about 25% and still had the same net earnings. And, if a railroad could afford to reduce its freight rates by any such ratio as that, a great upsurge in traffic volume would inevitably follow. Any railroad in that fortunate position, instead of having to furlough employees—as many of them are having to do today—would, instead, be hanging out the "Help Wanted" sign.

The careful farmer takes care not to exhaust his soil. He applies fertilizer to pay back the plant food that his crops take out. The supplier takes care not to charge so much for his goods that he drives his customer out of business. Even in the slave-holding days, the plantation owner fed his field hands well—not necessarily for reasons of affection, but to enable them to deliver a good day's work. The wisdom of the old adage about not destroying the goose that lays the golden eggs is universally applicable. Only the light-minded and improvident ignore this principle.

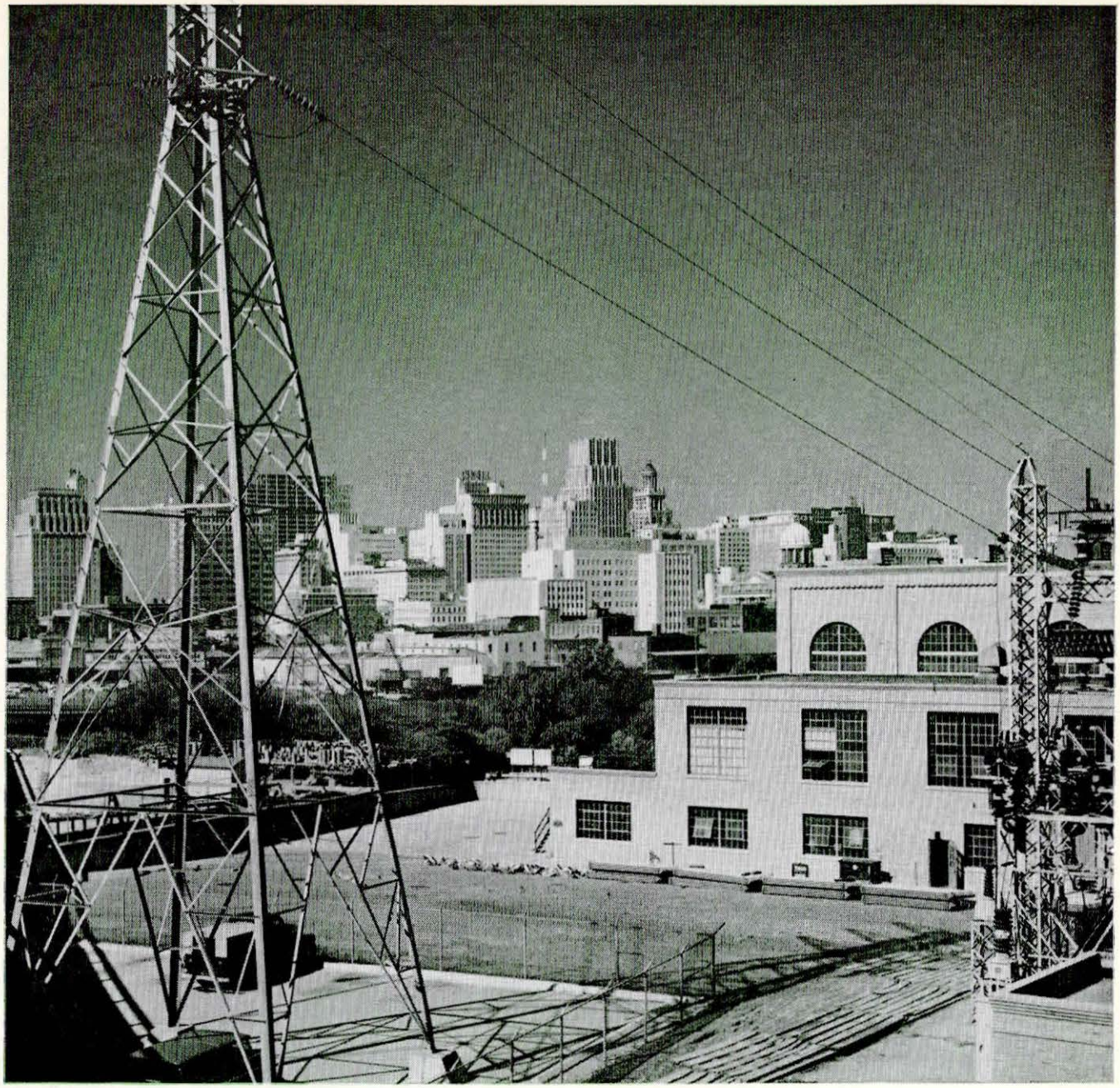
Railroad unionists, in their own interest, should look carefully into every phase of their policies and practices—to detect the places where they're endangering the future health, and even the existence, of their means of livelihood. Destitute railroads do not pay wages or "fringe benefits" to many employees. Abandoned railroads do not pay anything to anybody.

At the very least, unions should not have to be encouraged to seek elimination of "loopholes" in the railroad unemployment compensation law which result in extravagant payments to the unworthy, as outlined on preceding pages in this issue. Such payments diminish the financial strength of railroads, without doing a particle of good to deserving railroaders.

The whole system of specialized "social security" for the railroad industry alone has turned out to be a disastrous mistake, for railroad employees no less than for railroads. In both the unemployment and pension aspects of railroad "social security," railroads are in a disadvantageous and costly position because of the shrinkage of their traffic and the resulting shrinkage of their employment. Hence it is that a pension of say, $100, is much more costly to both railroads and employees than it would be if it came from ordinary "social security" (such as that the truckers and water carriers pay).

Pension and unemployment insurance costs are inevitably high when separately computed for industries such as the railroads, with high average ages and declining employment. Costs would be correspondingly lower if averaged with the costs in industries with younger employees and an increasing total employment.

Nobody can fairly ask railroad unionists to be sacrificial in situations like this—they are human beings like everybody else. It is, however, both fair and timely to suggest to them that they examine closely what they're doing. If they look deeply enough, the more perceptive of them will see that they're sawing off the limb they're sitting on. They're getting insecurity, not security.



Deep in the Heart

Dynamic, vibrant Houston, deep in the heart of the Texas Gulf Coast, is the South's largest city and sixth largest in the nation. Capital of the Republic of Texas little more than a century ago, it is now regarded by many as the U. S. petrochemical and petroleum capital. Surrounded by natural resources, it is also hub of the Southwest's industrial marketing, rice milling, cotton trading and processing.

The lively arts, education, museums, art galleries, parks, facilities for sportsmen, and temperate climate make the city a cultural and tourist haven.

Naturally, Houston has an enormous appetite for electric power and transportation—adequately served by an outstanding electric utility company, and six major and two terminal railroads. Their need for the highest quality insulated wire and cable has been, and is being, met by Kerite, under standards dating back to 1854—*a service that will continue and expand with the needs for quality cable.*

KERITE CABLE

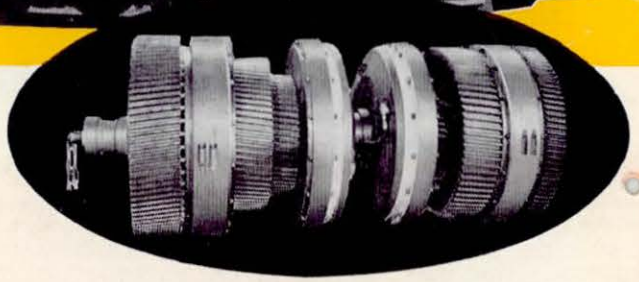
it's the **KERITE** *that makes the difference*

General Office—30 Church Street, New York 7, N. Y.

SALES OFFICES:

Albuquerque, Ardmore, Pa., Birmingham, Boston, Chicago, Cleveland, Denver, Glendale, Cal., Houston, Lake Wales, Fla., Portland, Ore., St. Louis, Salt Lake City, San Francisco, Seattle

Wichita Clutches *offer* Controlled Power *and low maintenance for* Diesel fleets . . .



For example: a 2,000 HP, 4-speed transmission shaft equipped with four Wichita Air Clutches in another industry.

Wichita Air-Tube Disc Clutches and Brakes are used in various applications throughout industry . . . for dependable, trouble-free controlled power from main transmission to accessory drives. Capacities available for 5,000 HP. Call on us to assist you in any transmission development program.

For difficult clutching and braking problems . . .

CONTACT YOUR NEAREST WICHITA ENGINEER

Clutch & Control Engineering Co., Livonia, Mich.
Fremont & Lewis, Inc., Cincinnati, Ohio
W. G. Kerr Company, Pittsburgh, Pa.
Smith-Keser & Co., Avon, Conn., Philadelphia 44, Pa., and New York, N. Y.
Frank W. Yarline Co., Chicago, Illinois
Larry W. McDowell, Long Beach, California
Andrew T. Lobel, Denver, Colorado
Robert R. King Co., Cleveland, Ohio
Norman Williams, Houston, Texas
Allied Transmission Equipment Co., Kansas City 8, Missouri
Donald E. Harman, Dallas, Texas
C. Arthur Weaver, Richmond, Virginia
Malcolm S. Cone, Memphis, Tennessee
Dominion Power Press Equipment, Ltd., Burlington, Ontario, Canada
R. E. Kunz, Seattle 4, Wash.
Norman Rupp Co., Portland 4, Ore.
Bates Sales Co., St. Louis 1, Mo.

WICHITA Clutch COMPANY, INC.
WICHITA FALLS, TEXAS, U. S. A.

Write today for Wichita catalog of application ideas!